

DAILY REPORT

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Vol I No 187

25 September 1984

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REAGAN ADDRESSES UN GENERAL ASSEMBLY SESSION

OW250804 Beijing XINHUA in English 0741 GMT 25 Sep 84

["U.S. President Reagan Makes New Suggestions to Soviet Union" -- XINHUA headline]

[Text] United Nations, September 24 (XINHUA) -- U.S. President Ronald Reagan suggested today that the United States and the Soviet Union should "institutionalize regular ministerial or cabinet-level meetings." Reagan was addressing the plenary session of the General Assembly which began its general debate this morning. After talking about America's strength, the U.S. President said: "We are ready for constructive negotiations with the Soviet Union." He reiterated three objectives for U.S.-Soviet relations that he said could provide an agenda for their work over the months ahead.

The first task, he said, was "to find ways to reduce -- and eventually to eliminate -- the threat and use of force in solving international disputes." He proposed that the two countries "agree to embark on periodic consultations at policy level about regional problems."

The second task, he continued, was "to find ways to reduce the vast stockpiles of armaments in the world." Speaking of the Soviet proposal for opening U.S.-Soviet talks in Vienna, he said: "We have been prepared to discuss a wide range of issues of concern to both sides, such as the relationship between defensive and offensive forces and what has been called the militarization of space. During the talks we would consider what measures of restraint both sides might take while negotiations proceed. However, any agreement must logically depend upon our ability to get the competition in offensive arms under control and to achieve genuine stability at substantially lower levels of nuclear arms." "Our approach in all these areas will be designed to take into account concerns the Soviet Union has voiced." President Reagan hoped that the U.S. and the Soviet Union could begin their talks by the end of the year or shortly thereafter.

The third task, the U.S. President said, was "to establish a better working relationship between the Soviet Union and the United States." Referring to the U.S.-Soviet summit meetings, President Reagan said that such "meetings have a useful role to play. But they need to be carefully prepared, and the benefit here is that meetings at the ministerial level would provide the kind of progress that is the best preparation for higher level talks between ourselves and the Soviet leaders."

On regional conflicts, President Reagan claimed: "In Central America, the United States has lent support to a diplomatic process to restore regional peace and security." At the same time, he warned that Nicaragua should "abandon its policies of subversion and militarism" and demanded it to "establish democracy at home."

He said that the road to solve the Middle East problem was "long and hard," adding: "The time is bound to come when the same wisdom and courage will be applied, with success, to reach peace between Israel and all of its Arab neighbors in a manner that assures security for all in the region, the recognition of Israel, and a solution to the Palestinian problem." He said that the tragedy of Lebanon had not ended. He condemned the "despicable act of barbarism" at the American Embassy in Beirut last week.

In Southeast Asia, President Reagan announced, "We have backed the efforts of ASEAN to mobilize international support for a peaceful resolution of the Cambodian problem, which must include the withdrawal of Vietnamese forces and the election of a representative government."

He went on to say that in Afghanistan, "the United States will continue to do everything possible to find a negotiated outcome which provides the Afghan people with the right to determine their own destiny, allows the Afghan refugees to return to their own country in dignity, and protects the legitimate security interests of all neighboring countries."

The U.S. President described U.S. alliance and partnership with its "fellow democracies" as "the starting point and cornerstone" of the U.S. foreign policy. He also reiterated U.S. positions on the "principle of universality" in the United Nations and "human freedom" and "human rights".

PRC GIVES EMERGENCY CONTRIBUTION TO UN AGENCY

OW210932 Beijing XINHUA in English 0645 GMT 21 Sep 84

[Text] Vienna, September 20 (XINHUA) -- China has donated 50,000 U.S. dollars as an emergency contribution to the Vienna-based U.N. Relief and Works Agency for Palestine refugees in the Near East (UNRWA). The donation was handed by Chinese Ambassador Wang Shu to UNRWA Commissioner-General O. Rydbeck today.

Wang told Rydbeck that the Chinese Government highly appreciates and supports the efforts made by UNRWA for Palestine refugees in the Near East. Rydbeck expressed gratitude to the Chinese Government for the assistance.

UNRWA, founded in 1948, has accepted offers of cash and relief supplies from a number of governments and organizations in the world.

RENMIN RIBAO ON 'FIVE PRINCIPLES,' WORLD LAW

HK241048 Beijing RENMIN RIBAO in Chinese 24 Sep 84 p 6

[Article by Wei Min: "The Significance of the 'Five Principles' in Modern International Law"]

[Text] The principles of "mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence" which were jointly advocated by China, India, and Burma in 1954 have been widely recognized by all countries and have become the basic principles of modern international law. This is a great contribution to modern international law.

1. The Five Principles of Peaceful Coexistence Have Pushed Modern International Law to a Newer Developmental Stage

International law in the modern sense came into being gradually along with the victory of the bourgeois revolution in Europe and the establishment of national states. In the early stage of capitalism, the bourgeoisie as a newly emerged class played a very active role in promoting progressive principles of international law. The U.S. Declaration of Independence and the French Constitution all stipulated the principles of sovereignty and noninterference in other countries' internal affairs. However, even at that time, international law was confined to "European countries of Christian civilization," and these progressive principles were not adhered to and carried out completely and genuinely even in these countries. On the contrary, along with the development of capitalism, these progressive principles became applicable on a narrower and narrower basis until they became of no significance on the imperialist stage. The principle of sovereignty was replaced by the cruel suppression and plunder of colonies and dependencies; noninterference in other countries' internal affairs was replaced by wanton aggression against weak countries; and equality in form was replaced by plain bullying.

After World War I, particularly after the victory of the October Revolution in Russia, traditional international law began its transformation into modern international law. The "peace treaty" personally signed by Lenin was of important significance. The peace treaty condemned imperialist wars and put forward the peace of "not ceding territories," "not annexing territories," and "not paying reparations." On the issue of peaceful coexistence, Lenin made many important expositions on theory and policy.

After World War II, international law developed to a new stage. The "UN Charter" signed on 26 June 1945 was an important mark of this stage. All the purposes and principles of the UN stipulated in Articles 1 and 2 of the "UN Charter" reflected the desires and needs of people of the world and are stressed even today. Nevertheless, the emergence of the superpowers, the aggravation of the cold war, and the interference in and suppression of national liberation movements and people's revolutionary movements have made the international situation, which had just calmed down, tense once again. All this has hampered the development of modern international law.

The victory of the Chinese revolution and the achievement of national independence by a series of colonial countries in Asia and Africa have made it possible for hundreds of millions of people previously despised by "civilized countries" to appear in the international arena. It has become a common desire and unanimous fighting target of Asian and African people to oppose the various forms of colonialism and foreign interference, to safeguard world peace, to consolidate national independence, to oppose the privileged system of big countries bullying small ones and the strong bullying the weak, and to call for changing the old international order and taking part in international affairs on an equal basis.

The birth of the Five Principles of Peaceful Coexistence in 1954 was not only an inevitable and logical result of historical development, but also a reflection of the common desire of Asian and African people in international relations and international law. It was an important event of historical significance in modern international law; and it has allowed modern international law to develop toward a newer stage.

2. The Five Principles of Peaceful Coexistence Are a Great Pioneering Work in Modern International Law.

The Five Principles of Peaceful Coexistence were put forth according to the changed international situation and the characteristics of the new era. They were a development of progressive principles in the previous international law, but not a simple repetition of the old principles. They were a great pioneering work and a new idea in modern international law.

First of all, the Five Principles of Peaceful Coexistence were not presented as isolated principles but by highly summarizing the most important and basic principles of international law. They were put before the world as a unified, inseparable entity and a principled system guiding contemporary international relations.

These principles are a code of conduct to be followed by countries in carrying out contacts with each other and a program for safeguarding world peace and ensuring the independence and security of all countries. In his government work report addressed to the Second Session of the Sixth NPC, Premier Zhao Ziyang pointed out: "If all countries adhere to the Five Principles of Peaceful Coexistence, the international situation will be stable, the purposes of the UN Charter will be realized, and world peace will be maintained."

It is thus clear that the Five Principles of Peaceful Coexistence are the "code" by which all countries can coexist peacefully and carry out friendly cooperation.

These principles form a unified organic entity in which the first principle is the fundamental principle and the other four extend as well as guarantee, mutually connect, and complement each other, thus constituting an integral whole. Secondly, the Five Principles of Peaceful Coexistence scientifically reflect the "mutual" characteristic of international relations, thus upholding the principle of unification of state rights and obligations. As everyone knows, a state maintains independence and keeps initiative in its own hands in handling its internal and external affairs. This is the basic content of the principle of sovereignty. As there are many countries in the world, so a country should not violate and impair the sovereignty of other countries when exercising its own sovereignty. Therefore, it is necessary to implement the "mutual" principle in international relations. A right is complete only when it is accompanied by the corresponding obligation.

In the Five Principles of Peaceful Coexistence, the word "mutual" scientifically reflects the characteristics in international relations and summarizes the principle of unification of rights and obligations in international relations. This is obviously a new creation.

It should be emphatically pointed out that the Five Principles of Peaceful Coexistence are applicable to relations between countries with different social systems as well as relations between countries with similar social systems, including relations between socialist countries. To be true, socialist countries should pursue the principle of internationalism in their external relations. Nevertheless, whether relations between countries are good or bad depends on whether or not they strictly adhere to the Five Principles of Peaceful Coexistence. Otherwise, internationalism is impossible. From the day it put forward the Five Principles of Peaceful Coexistence, China has regarded them as the code guiding its relations with all countries. International practice of the past 30 years or so has proved the correctness of China's stand and has also proved that if the Five Principles of Peaceful Coexistence are adhered to, countries with different social systems will be able to live in harmony and maintain amicable cooperation. If they are not adhered to, even countries with similar social systems may come into sharp confrontation or even conflict.

The Five Principles of Peaceful Coexistence emerged in Asia and swiftly spread to all continents. The fact that these principles are acknowledged by the majority of countries has great political significance and has exerted a far-reaching influence on contemporary international relations and international law. In the past 30 years or so, a large number of countries have repeatedly acknowledged these principles in signing bilateral documents. We can undoubtedly say that these principles have been accepted by international society and become the basic principles of modern international law. In addition, the numerous bilateral documents which formulated these principles can certainly be regarded as the source of modern international law. Therefore, the Five Principles of Peaceful Coexistence are not merely political principles or "political slogans." They have produced rights and obligations determined by law and have legal binding force.

The Five Principles of Peaceful Coexistence are praised for their great significance to modern international law. Chinese workers engaged in international law are willing to make continuous efforts with the people of the world to make the Five Principles of Peaceful Coexistence the basic principles of international law by which all countries abide.

JIANG XINXIONG ATTENDS VIENNA IAEA MEETING

OW250056 Beijing XINHUA in English 0031 GMT 25 Sep 84

[Text] Vienna, September 24 (XINHUA) — The 28th regular session of the General Conference of the International Atomic Energy Agency (IAEA) opened here today. Ninety-six delegations from various countries and regions and many international organization took part in the meeting.

China sent a delegation, headed by Jiang Xinxiong, minister of nuclear industry, to attend the General Conference of the IAEA as an official member state for the first time.

Speaking at the opening session, the IAEA Director General Hans Blix underscored the significance of nuclear energy. He said nuclear power plants now represent over eight percent of the world electrical power generating capacity and accounted for about 12 percent of the total electricity generated in 1983. He said, "In spite of the lower than expected growth in electricity demand which accompanied with recession, nuclear power maintained its position as a safe, economic and reliable source of energy in 1983." 25 nuclear power plants went into operation, bringing the total to 313.

He said that last year, seven member states -- France, Belgium, Finland, Sweden, Bulgaria, Switzerland and Japan -- produced between 20 percent and 50 percent of their electricity by nuclear power. He noted, however, that the nuclear power trends in developing countries remain very uncertain. Their problem lies in different fields -- infrastructure, personnel and finance.

The director general said that in order to assist its member states in getting necessary information, the IAEA has organized some technical meetings and published 150 books and journals. Referring to the IAEA's technical co-operation activities, Blix said that the organization's technical co-operation projects have increased to 800 in 1984 from 500 in 1982.

The meeting, which will last one week, will discuss the agency's annual report for 1983; South Africa's nuclear capabilities; consequences of the Israeli military attack on the Iraqi nuclear research reactor; and protection of nuclear installations devoted to peaceful purposes against armed attacks; financing of nuclear safeguards; technical assistance; and the agency's program for 1985-86.

Juan Barreda Delgado, president of the Peruvian Institute of Nuclear Energy, was elected today president of the General Conference.

Gives Speech

OW250228 Beijing XINHUA in English 0214 GMT 25 Sep 84

[Text] Vienna, September 24 (XINHUA) -- China said today that it understood the significance of nuclear nonproliferation and the importance of taking appropriate measures to this end; but it opposes any irrational restrictions imposed on the cooperation in nuclear energy in the name of preventing nuclear proliferation -- restrictions which would hinder such cooperation.

In a statement at the 28th session of the General Conference of the International Atomic Energy Agency (IAEA), Jiang Xinxiong, chairman of the Chinese Government delegation, said that following the rapid advance of modern science and technology, the world is attaching increasing importance to the peaceful use of nuclear energy, which is playing a more and more significant role in the socio-economic development in various countries.

"However," he pointed out, "the development of nuclear power is quite unbalanced." According to the director-general's report delivered this morning, among 313 nuclear power plants in the world, only a dozen or so were in the developing countries. "Such a situation is far from meeting the demand of the developing world for nuclear power. How to help these countries to develop their nuclear power is, therefore, an arduous task for the agency."

—Jiang, who is also China's minister of nuclear industry, said China began its development of nuclear energy in the 50s.

It had managed to buildup a relatively complete nuclear industry and a nuclear research set-up, including uranium geology, mining, milling, conversion, enrichment, element-manufacturing, reprocessing and waste management. He said the Chinese Government had decided to accelerate the growth of power industry by developing hydropower, thermal power, and nuclear power and was drawing up a moderate nuclear development program. At the same time, he said, China needed to draw on other countries' experience in developing nuclear power and introduce certain technology and equipment so as to speed up its own development. He said that China had made progress in the peaceful use of nuclear energy in isotope application, agriculture, industry and medicine.

Jiang went on to say: "China has laid down its policy for the speedy development of nuclear energy, e.g., first, self-reliance and second, international cooperation. Cooperation and exchange with other countries in the field of nuclear energy is also part and parcel of China's policy of opening to the outside world. China stands for active cooperation in the peaceful uses of nuclear energy, mutual complement, and common progress based on the principles of mutual respect for sovereignty, non-interference in each other's internal affairs, equality and mutual benefit."

"China pursues a peaceful foreign policy. We are against nuclear arms race, and are working hard for the lofty goal of complete prohibition and thorough destruction of nuclear weapons." He quoted Chinese Premier Zhao Ziyang as declaring in his government report delivered on May 15 this year at the Second Session of the Sixth National People's Congress: "China is critical of the discriminatory 'Treaty on the Non-proliferation of Nuclear Weapons' and has declined to accede to it. But we by no means favour nuclear proliferation, nor do we engage in such proliferation by helping other countries to develop nuclear weapons."

This is, he said, China's fundamental policy to be followed in its cooperation with other countries in the field of nuclear energy. "Guided by this policy, China will, in exporting its nuclear materials and equipment, request the recipient countries to accept the safeguards in line with the principles established in the agency's statute. Likewise, while importing any nuclear material and equipment, China will also make sure that it is used for peaceful purposes."

WANG BINGQIAN CALLS FOR MORE CAPITAL AID TO AFRICA

OW232000 Beijing XINHUA in English 1945 GMT 23 Sep 84

[Text] Washington, September 23 (XINHUA) -- Chinese State Councillor and Finance Minister Wang Bingqian today stressed the pressing need to increase capital flows to Sub-Saharan African countries and help them in economic reforms. Speaking at the meeting here of the development committee -- the joint ministerial committee of the Board of Governors of the World Bank and International Monetary Fund, Wang said that the economies the Sub-Saharan African countries inherited from the colonial times have not yet gone through comprehensive reforms and are extremely vulnerable to the vagaries of the world economy.

"Sub-Saharan Africa should be helped in every way possible to reform their economic structure and adjust their policies", but, "the said reform and adjustment need to be oriented at revamping the old colonial economy and setting up a new national economy," he said. "(Long term) development programs for Sub-Saharan Africa can only be drawn up by the countries in that region themselves, in light of their concrete conditions, and they should be left to determine what the key issues and priorities are," Wang emphasized.

Speaking of the issue of linkage between trade and the promotion of development, the Chinese minister said that principal attention should be "given to explore ways and means to assist developing countries, especially the low-income countries, in increasing production and expanding exports."

The development committee consists of 21 members, usually finance ministers of various countries, and is required to advise and report to the World Bank and IMF leadership on all aspects of assisting developing countries.

ZENG TAO, NPC GROUP AT PARLIAMENTARY CONFERENCE

OW222100 Beijing XINHUA in English 1948 GMT 22 Sep 84

[Text] Geneva, September 22 (XINHUA) -- A delegation of the Chinese National People's Congress (NPC) arrived here today to attend the 72nd inter-parliamentary conference scheduled for September 24 to 29. The delegation led by Zeng Tao, member of the NPC Standing Committee and vice-chairman of the NPC Foreign Affairs Committee, included Luo Qiong, member of the NPC Standing Committee and vice president of the Women's Federation of China, and other three NPC delegates.

The Inter-Parliamentary Union, formed in 1889 by parliamentary groups of various countries, has now a membership of 102 with China joining in last year.

Attend Opening Session

OW241652 Beijing XINHUA in English 1605 GMT 24 Sep 84

[Text] Geneva, September 24 (XINHUA) -- Some 450 parliamentarians from nearly 100 countries have assembled here to discuss political, economic and social problems at the 72nd inter-parliamentary conference. The 6-day conference opened this morning in the International Conference Centre of Geneva.

Paul Burgi, president of the Swiss group of the Inter-Parliamentary Union, in his inaugural speech drew attention to the events that were darkening the international horizon.

'Izz al-Din al-Sayyid, president of the Council of the Inter-Parliamentary Union, pointed out that no tangible progress has been achieved in the field of disarmament; that the Palestine question is yet to be solved; and that the Iran-Iraq conflict has assumed dangerous dimensions. He also mentioned the mining of the Red Sea and the South African regime's defiance of all efforts for Namibia's independence. The world was still being plagued with the problems of refugees, drought and population increase, he added. He said with emotion, "The peoples of the world must unite in the face of the perils that threaten their very existence, and united, they must inevitably succeed." Al-Sayyid called for a more equitable international economic order.

A message from the secretary-general of the United Nations was delivered at the ceremony. Among those present at the conference was the delegation of the Chinese group of National People's Congress deputies headed by Zeng Tao, member of the Standing Committee of the National People's Congress and vice-chairman of the NPC Foreign Affairs Committee.

Founded in 1889, the Inter-Parliamentary Union is a world-wide political organization composed of national groups in parliaments of various countries and now has a membership of 102 countries. The union is aimed to maintain and promote world peace and strengthen friendship and cooperation among parliamentarians through extensive contacts. It holds two regular conferences every year. China was admitted to the organization last April.

SHIJIE ZHISHI ON U.S. LATIN AMERICAN POLICY

HK200647 Beijing SHIJIE ZHISHI in Chinese No 15, 1 Aug 84 pp 5, 6

[Article by Li He: "Evolution of the U.S. Policy toward Latin America" -- capitalized passages published in boldface]

[Text] Latin America has always been treated by the United States as a strategic region in its drive for world hegemony and as a testing place for its diplomatic policies. The United States has used many methods in this testing place to promote its new colonialist policy, such as propping up proxies, engineering military coups, establishing military and political cliques, and plundering and controlling Latin America by giving "aid" and loans. However, with major changes taking place in the international situation and Latin American countries awakening with each passing day, the United States has suffered one failure after another in its policy toward Latin America and has been forced to revise the policy again and again. There have been several evolutions of U.S. policy toward Latin America.

THE DEVELOPMENT AND CHANGES OF U.S. POLICY ON LATIN AMERICA BEFORE THE WAR

THE MONROE DOCTRINE AND TERRITORIAL EXPANSION AT THE EARLY STAGE The Monroe Doctrine, as put forth by U.S. President Monroe in his report to Congress on 2 December 1823, was meant to serve as U.S. diplomatic policy toward Latin America. Its main point was that the expansion and interference carried on by all powers in the Western Hemisphere is harmful to U.S. peace and security. The slogan of the Monroe Doctrine was: "America is the America of Americans." But the subsequent 100-odd years of history proved the essence of U.S. policy to be a desire to solely dominate America to the exclusion of others.

Since the 1820's, the United States has vigorously carried out territorial expansion in Latin America. It sent a large number of emigrants to Texas, which then belonged to Mexico, and finally annexed Texas in 1845. From 1846 to 1848, the United States launched an aggressive war against Mexico and annexed about half of what was then Mexico's territory. In addition, some American adventurers, propped up by the U.S. Government and monopoly capital, repeatedly invaded Central America. A man named William Wouk even went so far as to proclaim himself president of Nicaragua from 1856 to 1857.

Since the United States entered the imperialist stage at the end of the 19th century, it has adopted a more frenzied expansionist policy. In the Spanish-American War in 1898, the United States not only seized Puerto Rico and the Philippines, but also placed Cuba under its protection. When talking about the war, the famous American writer Mark Twain said "the stars on the U.S. Flag should be changed to skulls and crossbones," indicating the cruelty of the war. During this period, the U.S. goal in Latin America was to turn the whole Western Hemisphere into its colony. However, at the end of the 19th century and the beginning of the 20th century, the struggle of Latin American countries for national liberation grew with each passing day. As a result, the United States found it difficult to achieve its pipe dream of establishing a colonial empire in the Western Hemisphere. This situation forced the United States to adopt a new policy in Latin America.

THE BIG STICK POLICY AND DOLLAR DIPLOMACY President Theodore Roosevelt, who advocated the "big stick policy," once said that his diplomatic policy was to "speak softly but carry a big stick." During his tenure the United States time and again carried a big stick in regard to Latin American countries. In 1903, the United States engineered the independence of Panama and occupied the Panama Canal Zone. From 1903 to 1905, it thrice forced the Dominican Republic to sign agreements of enslavement and took forcible possession of Dominican tariffs. In 1906, the U.S. Government dispatched troops to Cuba under the pretext of doing so "at the invitation of the Cuban Government."

In 1912, the U.S. Government, in open collusion with U.S. monopoly capital, put forth the so-called dollar diplomacy of "dollars replacing guns." Under the protection of guns and with dollars leading the way, the United States carried out vigorous armed expansion in Latin America. In 1915, U.S. Marines landed at Port-au-Prince, the capital of Haiti, and forcibly occupied that country. The U.S. looted Haiti's national treasury, killed people, and forced Haiti to become a "territory of the New York City Banks." In 1919, the United States invaded Chiriqui Province in Panama and occupied Guatemala City in 1920. Meanwhile, the United States strengthened its financial control in Latin America, monopolized the customs, and vigorously exported its capital under the pretext of "granting loans." The United States forced Latin American countries to accept loans enslaving them so it could control these countries' economic lifelines. In fact, this policy caused all Latin American countries to become dependencies of the United States.

"GOOD NEIGHBOR POLICY" When the capitalist world was in a serious economic recession in 1933, the newly elected U.S. President Franklin Roosevelt, in order to save the country from an economic crisis, strengthen U.S. contention with various European countries over Latin America, and swiftly ease the strained relationship between the United States and Latin American countries, put forth a "good neighbor policy." According to this policy, the United States gave up the "revised Platt Amendment," which interfered in Cuba's internal affairs; withdrew its troops from Haiti; gave up some things that interfered in Panama's affairs; and gave up its "right to protect" the Dominican Republic. Meanwhile, the United States signed "mutually beneficial trade agreements" with many Latin American countries and increased loans to them. As a result of the rapid increase in trade between the United States and Latin American countries, the United States obtained a great quantity of strategic raw materials and greatly increased its investments in Latin America.

The Roosevelt administration's "good neighbor policy," in fact, turned "armed intervention into economic infiltration and political deception" and attempted to "heal wounds caused by previous policies," thus making it possible for the United States to further carry out political and economic infiltration in the area.

THE EVOLUTION OF U.S. POLICY TOWARD LATIN AMERICA AFTER WORLD WAR II

THE COMPLETE EXPANSION OF NEW COLONIALISM The period from the end of the war to the end of the 1950's was one in which the United States carried out a policy of overall expansion in Latin America. The United States attempted to rely on the Pan American Union to control and dominate all of Latin America in political, military, economic, and other fields. It thus turned Latin America into its reliable rear region for dominating the whole world.

During the early years after the war, the United States, under the pretext of dealing with a "communist threat," adopted various measures to further consolidate and strengthen the Pan American Union. In 1947, the United States and Latin American countries signed the American Mutual Assistance Treaty, which consolidated the U.S. position as leader of the alliance. In 1948, the United States elaborately planned the ninth conference of American countries and changed the Pan American Union into the Organization of American States, a unified organization under the strict control of the United States. The United States also carried out activities in many other fields.

Politically, the United States tried every conceivable means to prop up pro-U.S. dictatorship regimes in order to prevent Latin American people from carrying out revolutions. The national and democratic movements in Guatemala and Bolivia were squelched by the United States, which colluded with local reactionary forces.

Militarily, in order to further bring Latin American countries into the orbit of U.S. global strategy, from 1952 to 1955 the United States signed bilateral military agreements with 12 Latin American countries, and consolidated and built a series of military bases in the Panama Canal Zone and the Caribbean area. Economically, the U.S. Government vigorously urged multinational companies to export capital to Latin America in various ways and in 1948, forced Latin American countries to sign the American Economic Charter with the ke lai gun [0344 5490 7319] plan (with "free trade," "free investment," and "free enterprises" as its basic contents). In January 1949, U.S. President Truman put forth the "fourth proposal" in the name of aiding backward areas to develop economy, thus further expanding U.S. influence in Latin America.

ORGANIZATION OF THE "ALLIANCE FOR PROGRESS" The victory of the Cuban revolution at the end of the 1950's created a breach in the backyard of the United States and undoubtedly influenced large areas. Therefore, the United States supported and urged Latin America to carry out some reforms in order to curb the impact of the Cuban revolution. At the same time, the United States also knew well that one of the basic reasons for the chaotic situation in Latin American countries was their economic difficulties. Only by promoting economic stability in this area was it possible for the United States to consolidate its hegemonistic position. For this reason, in his inaugural speech President Kennedy put forth a proposal to "establish a new Alliance for Progress," and in August 1961 signed the Charter of Punta del Este, an official program of the "Alliance for Progress," with all Latin American countries except Cuba. The main points of the charter were: Within 10 years from 1961, promote social economic development in Latin America by carrying out land reform, reforming the taxation system, promoting economic integration, and encouraging private enterprises. The United States promised to render financial assistance of \$10 billion to Latin American countries. But the "Alliance for Progress" was to carry out "reform" under the premise of not encroaching on the fundamental interests of the United States, and hence it had very little effect.

Meanwhile, the United States also greatly increased its military involvement. In 1961 the United States dispatched mercenary troops to Cuba's Bay of Pigs, but suffered failure. In 1962 the United States took advantage of its military superiority to force the Soviet Union to dismantle missiles in Cuba, thus emerging victorious in its first round of contention with the Soviet Union over Latin America. In addition, the United States greatly increased its military assistance to Latin American countries and directly suppressed, through the use of armed forces, the just struggles waged by the people of Panama and the Dominican Republic.

In the late 1960's, many Latin American countries launched large scale nationalization movements. In May 1969 in Chile, 21 Latin American countries held a special coordination-meeting calling for "serious changes in economic and trade relations between Latin America and the United States." The U.S. Government was thus forced to greatly revise its policy toward Latin America.

FROM "A LOW STANCE" TO "STRIKING AT THE ROOT OF THE PROBLEM" To ease the antagonistic feelings of Latin American countries, the United States adopted a "low stance" defensive strategy politically and militarily. The Nixon and Ford administrations made some concessions on general preferential systems, on signing commodity agreements, and on other problems. In 1973 the United States and Panama resumed their talks on a new Panama Canal treaty. In February of the same year, the United States also reached an agreement with Peru on Peru assuming control of the International Petroleum Company of the United States, an agreement which resulted in improved relations between the two countries. In spite all this, however, no substantial changes have taken place in the U.S. policy of hostility toward the national and democratic movement in Latin America.

For example, in the early 1970's the U.S. Government and the Central Intelligence Agency engineered a coup by Chile's right-wing military clique in order to overthrow the Allende government.

After coming to power in 1977, the Carter administration inherited the whole of the two previous administrations' policies on Latin America but assumed its own attitude, namely, replacing the "low stance" policy with "human rights diplomacy." "Freedom and democracy" are the loudest slogans in "human rights" diplomacy. The Carter administration enhanced its ties with civilian governments in Latin America and used such means as terminating military and economic aid to force some military governments to be democratic, change their systems of rule, and ease sharp class contradictions, much to the benefit of stability in Latin America. In order to curb Soviet and Cuban intervention and avoid direct confrontation with the national and democratic movement in Latin America, the Carter administration had to make some conciliatory and compromising moves. In 1977, the United States and Panamanian Governments officially signed a new treaty on the Panama Canal Zone, by which Panama gradually recovers all sovereignty and jurisdiction over the Panama Canal Zone. In 1979, when the Carter administration could do nothing to maintain Somoza's autocratic rule, it acknowledged the reality that the Nicaraguan people had won their revolutionary struggle and provided economic assistance to Nicaragua in an attempt to prevent Nicaragua from leaning toward the Soviet Union and Cuba.

On the Cuba issue, the Carter administration tried to resort to "winning over" Cuba. It took various measures to improve U.S.-Cuban relations, such as preventing spy planes from carrying out reconnaissance flights over Cuba and establishing an "interest section" of both the United States and Cuba, so as to check on and influence Cuba and weaken the close relations between Cuba and the Soviet Union. But Carter's "human rights" policy failed to achieve the expected results.

REAGAN'S TOUGH POLICY Since assuming office, Reagan has adopted a tougher policy as to interference in Central America and the Caribbean than his predecessors did. The main goal of Reagan's Central America policy is to protect El Salvador and strangle the revolution in Nicaragua. The Reagan administration vigorously supports the current Salvadoran Government in suppressing guerillas, hoping to "draw a line" between El Salvador and the Soviet Union. It has continuously adopted a high-pressure policy toward Nicaragua, terminating its economic aid to Nicaragua and spending tens of millions of dollars to support anti-government armed forces in subversion. In order to further hit hard at Soviet and Cuban infiltration and isolate Nicaragua, the United States even went so far as to send troops to occupy Grenada last October, fully exposing its true face of hegemonism. Furthermore, the United States planned the establishment of "the Central American democratic community" and engineered the resumption of activities carried out by the Central American Defense Committee. With Honduras as a military base, it carried out a large-scale joint military exercise in the Caribbean area to militarily encircle Nicaragua. Meanwhile, the United States supports the peaceful efforts made by the Contadora Group and has attempted to force the Nicaraguan Government and Salvadoran guerrillas to give in and reach a political settlement which merits U.S. approval. In dealing with South American countries, the Reagan administration mainly adopts a policy of pacifying and drawing them over so as to mend the rift caused during the period of the Malvinas war and to seek their support for U.S. policy on Central America.

A review of the changes in U.S. policy on Latin America shows that the strategic U.S. target is none other than the following three things:

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Protect U.S. economic interests; check the revolutionary struggle of Latin American people; and resist infiltration of other forces, mainly infiltration of Soviet forces into Latin America since World War II. These three targets, all of which are closely related, are determined by U.S. global strategic interests and reflect the essence of U.S. hegemonism.

Nevertheless, times are changing. No force can counter the continuous and in-depth development of the Latin American countries struggles against imperialism and hegemonism. The hegemonist policy adopted by the United States in Latin America may succeed for a short while but will ultimately end in failure.

SONG RENQIONG MEETS, FETES U.S. SCHOLAR

OW222058 Beijing XINHUA in English 1508 GMT 22 Sep 84

[Text] Beijing, September 22 (XINHUA) -- Song Renqiong, member of the Political Bureau of the Chinese Communist Party Central Committee met and feted J.C. Chang, U.S. scholar, Mrs. Chang and their daughters here today. J.C. Chang was invited by the Chinese State Seismological Bureau for a lectures tour in China. He and his family arrived in Guangzhou on September 9.

RONG YIREN MEETS AMERICAN COLUMNIST 24 SEP

OW241044 Beijing XINHUA in English 1032 GMT 24 Sep 84

[Text] Beijing, September 24 (XINHUA) -- Rong Yiren, vice-chairman of the Standing Committee of the National People's Congress, had a friendly conversation with American columnist Georgie Geyer in the Great Hall of the People here this afternoon.

RENMIN RIBAO REPORTS ON SOVIET ARTISTS' TOUR

HK240958 Beijing RENMIN RIBAO in Chinese 19 Sep 84 p 6

[Report by RENMIN RIBAO reporter Zhou Xiangguang: "A Successful Performance, A Happy Get-Together" -- Highlights of a Performing Tour by Soviet Artists in China]

[Excerpts] "This is the first performing tour of China in more than 20 years. We must make the performance express the contemporary Soviet artistic level...."

"Art is the best agent of friendship. We must approach every performance with sincere feelings and a solemn and serious attitude. Only in this way can we be of one mind with the audience...."

This is what well-known composer A.G. Flazkovskiy, a Russian performer credited with meritorious service and head of the group of Soviet artists touring our country, said in a talk with Beijing reporters. Indeed, the Chinese audience today is also naturally happy to again watch the colorful performances given by Soviet artists after a lapse of more than 20 years. Though all the admission tickets "had long been sold out," in the past few days before each show many people would haunt the Beijing People's Theater, where the group of Soviet artists performed, hoping to obtain any available returned tickets. Many cultural and art workers and music and dance enthusiasts felt disappointed over not being able to get tickets. This is not only because the Soviet Union is well-known in the world for its music and ballet performances, but also because the Chinese audience was deeply impressed by the performances previously given by Soviet artists in China.

The Soviet artists' current tour of China coincided with the eve of the 35th anniversary of the founding of the PRC joyfully greeted by our people. The leader of the Soviet artists group expressed the wish that their performance would be a success as a tribute to the celebration of China's National Day.

During their short stay of a few days in Beijing, the Soviet artists also had an opportunity to have cordial meetings with our artists, both sides chatting away in an expression of friendship. Many well-known figures in our cultural and art circles spent their early years studying in the Soviet Union and have many former classmates and old acquaintances in the Soviet Union.

Flazkovskiy head of the Soviet artists' group, once studied in the same school with our singer Guo Shuzhen. His wife was a classmate of Wu Zuqiang, director of our Central Conservatory of Music. Their reunion in Beijing this time enabled them to talk freely about pleasant memories.

Flazkovskiy said: "We studied together once. Now we are white with age. Let us both work for the grooming of the next generation!" When ballerina (Bismertenova) [bie-si-mei-er-te-nuo-wa 0446 2448 2734 1422 3676 6179 1216] and young dancer (Muhanmodov) [mu-han-mo-duo-fu 4476 6988 7818 1122 1133] arrived at the Beijing Dance School, they were seized with a mixture of surprise and affection. They found that most of the ballet coaches of this school had been trained in China as students by Soviet ballet veteran (Gushov), whom they knew. Professor (Gushov), now in his eighties, has always shown concern about this school where he had worked, and about its students. (Bismertenova) said that after her return to the country, she would surely tell (Gushov) all about this school and its developments.

Despite the short length of this tour by the Soviet artists' group, both sides considered such exchanges highly beneficial. This, they hope, is a new good beginning. They expressed the wish that in the not too distant future, such exchanges will be marked with still greater development.

WANG ZHEN STRESSES SINO-JAPANESE FRIENDSHIP

OW250450 Beijing XINHUA Domestic Service in Chinese 0910 GMT 24 Sep 84

[Text] Beijing, 24 Sep (XINHUA) -- Newsletter by XINHUA reporters Li Shangzhi and He Ping: "For Peace and Friendship: An Interview With Comrade Wang Zhen on the Sino-Japanese Friendly Youth Get-Together."

Comrade Wang Zhen played an important battlefield role in the Chinese people's liberation for half his life and held the military rank of general. Today, he is enthusiastically engaged in promoting friendship with the people of foreign countries. As honorary president of the China-Japan Friendship Association, he is now particularly busy preparing a reception for 3,000 Japanese youths, who are coming to China soon to attend the Sino-Japanese friendly youth get-together. His two different careers embody the same purpose -- promoting world peace and friendship with the people of foreign countries, and enabling Chinese people to build their country in a peaceful and stable international environment.

On a pleasant autumn evening, Comrade Wang Zhen received us in his study. He recalled the birth of New China, amid blood and fire, and the 35 years since its founding, and expressed his earnest hope for world peace and friendship with the people of all countries. On completion of preparations for receiving the 3,000 Japanese youths, he humorously quoted Confucious: "Is it not delightful to have friends coming from distant quarters?"

Comrade Wang Zhen, 76, was born in Liuyang County, Hunan. In 1923, he began his revolutionary career on the Changsha-Yueyang section of the Guangzhou-Hankou railway. In 1927, he joined the CYL and was admitted to the CPC in the same year. Later, he served successively as a regimental, divisional, and acting corps political commissar of the Red Army; acting commander of the Hunan-Jiangxi Military District, and political commissar of the Red Sixth Army. During the 8-year war of resistance against Japan, he served as commander and concurrently political commissar of the famous 359th Brigade, and was known for being a good fighter. In 1949, he led his troops to Xinjiang while he was commander and concurrently political commissar of the First Army of the PLA First Field Army. Later, he became commander and concurrently political commissar of the Railway Corps, deputy chief of the General Staff of the PLA, minister of agriculture and reclamation, vice premier of the State Council, and a Standing Committee member of the Central Military Commission. At present, he is a member of the Political Bureau of the CPC Central Committee and president of the Central Party School. For several decades, the motherland's future and the people's destiny have been lingering in his mind and inspiring him to struggle. Today, this white-haired general has become an activist who, with the whole world in mind, is striving for the peace and progress of mankind.

On the cause of peace between China and Japan, he said: "Although there was a period of displeasure between China and Japan, that period was after all just a short moment compared with the several thousand years of friendly exchange between the Chinese and Japanese peoples."

He said: In order to strengthen and develop Sino-Japanese friendship, we should pursue a policy of promoting both governmental and nongovernmental exchanges simultaneously. The party Central Committee, having the youth in mind, is thinking of the future. In order to perpetuate the friendship between the Chinese and Japanese peoples from generation to generation, it has decided to invite 3,000 Japanese youths to visit China. This is an important policy decision for the cause of peace, which will surely yield profound and lasting effects on further development of the friendly relations between the peoples and youth of the two countries. This decision will also yield profound and lasting effects on stability in the Asian and Pacific region and on future world peace.

This policy decision has won widespread response and warm approval among Japanese people and youth, and obtained enthusiastic and energetic support from the Japanese Government and various friendly organizations.

When Wang Zhen was talking about the long series of exchanges in the past between the Chinese and Japanese peoples, he showed the reporters a model of a ship on his bookshelf. The model, carved from precious wood and with two kimono-clad figures on board, depicts the ship in which ancient Japan's envoy to China in China's Tang Dynasty sailed. Pointing to the model, Wang Zhen said: "This symbolizes the long, traditional friendship between the Chinese and Japanese peoples." He said: China and Japan are close neighbors separated by only a narrow strip of water. In the 2,000-year recorded history of friendly exchanges between China and Japan, there were two peaks of contact, which had an extremely profound effect on friendly relations between the two countries. The first peak occurred during a period of 260 years, from the seventh to the ninth centuries, in which Japan successively dispatched 17 special envoy groups, together with large numbers of students and Buddhist monks, to China. The students and monks studied here. After they completed their study and returned home, they played an important role in Japan's reform and construction. The second peak was after the Meiji Reformation. During this peak, China sent an enormous number of students to study in Japan. In modern times, such people as Sun Yat-sen, Lu Xun, Guo Moruo, and Liao Chengzhi either studied in Japan or conducted revolutionary activities there. If we say that Japan learned from China during the first peak, then we must say that China learned from Japan during the second. Now that there have been two historical peaks in Sino-Japanese friendship, why can't we usher in a still higher, third peak between now and the 21st century, during which time Chinese and Japanese youth will learn from each other?

Wang Zhen mentioned that, after the founding of New China, the proletarian revolutionaries of the older generation, such as Mao Zedong and Zhou Enlai, attached great importance to establishing friendly relations with the Japanese people. He also recalled, with deep feeling, his several visits to Japan as head of Chinese delegations. As early as 1957, he visited Japan at the head of a Chinese agricultural delegation. That nongovernmental delegation, from the early years of New China, traveled all over Japan during a visit of more than 2 months. He keenly felt that the Japanese people loved peace and had profound feelings for the Chinese people, and that Japan's science and technology were worth learning from. After cabling Premier Zhou Enlai for a approval, he imported a number of Japanese walking tractors and fine strains of seed. In 1974, he visited Japan as head of a visiting group for Sino-Japanese friendship, via the first formal flight of the regular air service between China and Japan. In 1982, he visited Japan to attend the celebration of the 10th anniversary of the normalization of Sino-Japanese diplomatic relations and attended the first meeting of the Council of Chinese and Japanese Nongovernmental Figures in Japan as head of the Chinese delegation. In April 1984, he visited Japan for the fourth time as the head of a visiting group for Sino-Japanese friendship. He has put his energies into promoting goodneighborliness and friendship between the Chinese and Japanese peoples. According to statistics, since he became honorary president of the China-Japan Friendship Association in July 1983, he has successively met with as many as 2,000 Japanese friends in more than 200 groups.

In order to make the forthcoming Sino-Japanese friendly youth get-together a success, Wang Zhen has personally taken a hand in directing work in connection with the reception plan, arrangements and measures, and lodging, food, transportation, and sanitation. During the interview, he mentioned Kakuei Tanaka, Masayoshi Ohira, Yasuhiro Nakasone, and many other Japanese officials and nongovernmental figures who have done a great deal for Sino-Japanese friendship.

As chairman of the Chinese Committee of the Council of Chinese and Japanese Nongovernmental Figures, he particularly extended his respects to Japanese nongovernmental figures who are dedicated to Sino-Japanese friendship. The old general's aspiration is precisely what he said in April this year when he joined middle-aged and old Japanese women in dancing at Doko Park in Matsuyama City: "I hope that Chinese and Japanese people sing and dance like this from generation to generation in the future, and will fight each other no more."

Wielding his stick, Wang Zhen said: "China and Japan, two neighboring countries across the sea, have favorable geographical conditions for promoting friendly exchanges, economic cooperation, and cultural interflow. With the people's support, it is the opportune time for them to do so. China and Japan, each having their own strong points, need each other. Through cooperation, they can learn from each other's strong points to offset their weaknesses and thus complement each other."

In particular, he pointed out: Young people have always played a significant role in the history of Sino-Japanese friendly exchanges. As early as 1954, the young people of China and Japan had begun their friendly contacts. When twists and turns appeared in relations between China and Japan, the youth organizations of both countries adhered to the correct orientation of Sino-Japanese friendship. The grand friendly get-together of Chinese and Japanese youths in 1965 played a positive role in promoting the normalization of Sino-Japanese relations. Since the normalization of relations between the two countries in 1972, the total number of Chinese and Japanese youths involved in exchange activities has shown a 20 fold increase, compared with that prior to normalization. The young people of the two countries have been playing a still greater role in more areas in the cause of Sino-Japanese friendship. And they have been making even greater contributions to promoting friendship between the people and youths of the two countries. He said: "Seeing the more intimate contacts between the youths of the two countries, people of our generation feel quite gratified. Because of this, when Comrade Wang Zhaoguo recently left for Japan as chief Chinese representative at the first meeting of the Committee for Sino-Japanese Friendship in the 21st Century, I went to the airport to see him off. When he returned, I went to the airport again to greet him."

Wang Zhen said: "The people of our country are carrying out the great program of the four modernizations. Internally, we must invigorate and restructure our economy; externally we must open to the outside world. To do this, we need a peaceful and stable international climate. Japan also requires a peaceful and stable international climate in order to develop. Peace is imperatively needed by the people of both countries. This is precisely the basic objective of the Sino-Japanese friendly youth get-together."

Tapping the arm of the sofa, the old general said, in a sonorous voice: "We should be friendly not only with the Japanese people, but also with all countries and all peoples in the world. Peace and anti-hegemonism are the cornerstones of our foreign policy and an important aspect in our national policy. The concept of holding high the banner of peace, put forward by Comrade Deng Xiaoping, represents the common aspiration of the 1 billion Chinese people."

At the end of his interview with the reporters, the old general said with deep emotion: "The 21st century will come in 16 or 17 years. That century belongs to the young, and Sino-Japanese friendship for that century also belongs to them. Now Sino-Japanese friendship has made magnificent strides toward the 21st century and entered a new period of historical development."

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"I wholeheartedly hope that the young people of China and Japan will carry forward the past traditions and open the road ahead, bravely take over the torch of Sino-Japanese friendship kindled by the pioneers, pass it on from generation to generation, and see to it that the 21st century is an era marked by even more friendly relations between the two countries." Lifting his voice, he said: "Let the people and youth of China and Japan join together and work hard together to greet the advent of this new era."

JAPANESE YOUTH FRIENDSHIP GROUPS BEGIN CHINA TOUR

Depart Japan

OW240912 Beijing XINHUA in English 0902 GMT 24 Sep 84

[Text] Tokyo, September 24 (XINHUA) -- Some 700 Japanese youths left Japan for China in 49 groups this morning as the first batch of 3,000 guests of Chinese leader Hu Yaobang. Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, extended the invitation during a meeting with Japanese Prime Minister Yasuhiro Nakasone when he visited Japan last November.

The Chinese efforts to boost Sino-Japanese friendship have met a warm response from various social circles in Japan. More than 3,000 youths will go in 216 groups to tour China's noted cities Beijing, Shanghai, Nanjing, Hangzhou, Wuhan, and others. Remaining groups will fly to China in three batches before October 1, China's National Day.

PRC Press Welcome

OW240736 Beijing XINHUA in English 0716 GMT 24 Sep 84

[Text] Beijing, September 24 (XINHUA) -- Seven hundred Japanese young people, the first of a 3,000-member delegation, arrived in Shanghai today to begin a 15-day China visit as guests of Hu Yaobang, general secretary of the Chinese Communist Party. Editorials in the PEOPLE'S DAILY and GUANGMING DAILY here described the event "unprecedented in the history of Sino-Japanese friendship, and also a great beginning in a friendship whose influence will extend beyond the two countries."

The PEOPLE'S DAILY said the gathering would promote mutual understanding and trust between the people of the two countries and help both sides see that China and Japan could live in enduring friendship despite their different social systems. China had rich mineral deposits and a large market, while Japan had advanced technology and up-to-date enterprises. Friendship and cooperation between the two countries would benefit not only the two great nations, but also world peace, the paper said.

Chinese and Japanese youth should make the Sino-Japanese relationship a model of friendly coexistence between countries with different social systems, it added. It also urged the young people of both countries to establish a relationship that could be carried on from generation to generation.

Shanghai Arrival

OW241134 Beijing XINHUA in English 1119 GMT 24 Sep 84

[Text] Shanghai, September 24 (XINHUA) -- Seven hundred young Japanese flew in here by three chartered planes today to the enthusiastic welcome of 1,000 local youths. Greeting the Japanese on the tarmac were Hu Jintao, president of the All-China Youth Federation, Zhu Zongbao, vice-mayor of Shanghai, and local youth and student leaders.

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The Japanese are the first arrivals of 3,000 young people to visit China as guests of General Secretary of the Chinese Communist Party Central Committee Hu Yaobang. A second group of 800 will arrive tomorrow. The third and fourth groups totalling 1,500 will fly to Beijing September 28 and 29. The four groups will gather in Beijing to attend China's National Day celebrations.

Besides Beijing and Shanghai, the young Japanese will also tour Hangzhou, Xian and Wuhan, where they will meet local young people in a variety of activities. The whole program is scheduled to continue through October 8.

YANG DEZHI MEETS JAPANESE MOUNTAIN CLIMBERS

OW241528 Beijing XINHUA in English 1453 GMT 24 Sep 84

[Text] Beijing, September 24 (XINHUA) -- Yang Dezhi, member of the Political Bureau of the Central Committee of the Chinese Communist Party, chief of the General Staff of the People's Liberation Army, and honorary president of the Chinese Mountaineering Association, met with a group of Japanese and Chinese climbers, and Takeda Takeshi, president of the Nagano Mountaineering Association, who came to Beijing from Japan specially. Yang expressed his congratulations for scaling the 6,268-meter Mount Anyemaqen Peak 2 in Qinghai Province by 17 climbers of the group in the middle of this month.

At the end of the meeting, the Chinese Mountaineering Association presented the photo-mechanical inscription "High mountains can be conquered" written by Yang Dezhi for Chinese mountaineers to the climbers of the group. Mr. Takeda Takeshi presented Yang with an ice pickaxe used by a member of the group. Present at the meeting were: Li Menghua, minister of the Chinese Physical Culture and Sports Commission, Zhong Shitong, president of the All-China Sports Federation, and Shi Zhanchun, vice-president of the Chinese Mountaineering Association. Koji Watanabe, minister of the Japanese Embassy in China, was also present.

This evening, the Chinese Mountaineering Association gave a dinner on the successful conclusion of alpine training of the group and presented credentials to the 17 members of the group, who conquered the peak. The Japanese climbers are scheduled to leave here for home tomorrow.

The Sino-Japanese group started alpine training in 1981. The 36-member group went to Anyemaqen region for training later last month. Most Chinese climbers of the group came from the Wuhan Institute of Geology. The next alpine training of the group will be conducted in Japan next year.

CHINESE TABLE TENNIS TEAM TO TOUR JAPAN

OW220818 Beijing XINHUA in English 0810 GMT 22 Sep 84

[Text] Beijing, September 22 (XINHUA) -- A 13-member Chinese table tennis team led by Shen Jichang will leave here Monday for a match tour of Japan. The team includes Xie Saike and Fan Changmao, men's No 3 and No 10 players, and Tong Ling and Jiao Zhimin, women's No 3 and No 5 players, of the 1984 world individual classification lists issued by the International Table Tennis Federation last July.

The Chinese paddlers will play matches with Japanese counterparts in Nagasaki, Kagoshima, Tokyo, Nagoya, Nishinomiya, Matsuyama and Osaka. The Chinese team will be coached by Liang Youneng and Hua Zhengde. The squad's other players are three men -- Chen Pingxi, Huang Wenguan and Chen Zhibin and two women -- Lie Wei and Li Huifen.

SINO-JAPANESE JOINT VENTURE IN MAGNESITE MINING

OW240733 Beijing XINHUA + English 0630 GMT 24 Sep 84

[Text] Shenyang, September 24 (XINHUA) -- China and Japan will start a joint venture soon to develop a magnesite mine in northeast China's Liaoning Province. The Fushun Magnesite Company, the first Sino-foreign joint venture in Liaoning's mining industry, will be set up by the Liaodong Magnesite Company of Fushun County and a friendship trading company in Iwaki, Japan.

Fushun has the country's second-largest magnesite reserves, estimated at 200 million tons. The ores there contain some 45 percent of magnesia, which is widely used in the metallurgical, building materials, and chemical industries and farming.

The joint venture is expected to raise Fushun's annual mining capacity from the present 12,000 tons to 50,000 tons when it goes into operation next year. Under a 10-year contract, 75 percent of the investment comes from the Chinese side and the rest from the Japanese partner, who will also provide techniques and equipment required for processing, transporting, baking and packaging.

LIAONING'S GUO FENG SEES OFF DPRK DELEGATION

SK220525 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 21 Sep 84

[Excerpts] The delegation of the North Pyongan Provincial WPK Committee of the DPRK, headed by its leader, Kim Pyong-yul, responsible secretary, left Shenyang to visit Dandong by train on the afternoon of 21 September, bringing with it the friendship and wishes of the party members and the people in Liaoning Province.

Provincial and Shenyang City leading comrades, including Guo Feng, Dai Suli, Li Tao, Quan Shuren, Sun Weiben, Xu Shaofu, Zhang Xincun, Shen Xianhui, Luo Dingfeng, Zhang Zhiyuan, and Liu Shengtian, as well as responsible persons of relevant provincial and Shenyang City departments, saw the Korean comrades off at the railway station.

Guo Feng and other leading comrades cordially shook hands with and said good-bye to Kim Pyong-yul, responsible secretary, and other Korean comrades, wishing them a happy journey. (Li Qisheng), secretary general of the provincial CPC Committee, and (Sui Xudong), deputy director of the provincial Foreign Affairs Office, also left Shenyang on the same train to accompany the delegation to Dandong.

At 1424, the train slowly approached the Dandong station. When Kim Pyong-yul and other distinguished Korean guests alighted from the train in the company of (Li Qisheng), secretary general of the provincial CPC Committee, Liu Zhongwen, secretary of Dandong City CPC Committee, and Zheng Ping, deputy secretary, who were waiting on the platform, stepped forward to warmly shake hands with and embrace Kim Pyong-yul and other Korean comrades. Children presented bouquets to all delegation comrades. Also welcoming the delegation at the railway station were other leading comrades of the Dandong City CPC Committee and responsible persons of relevant departments.

Liu Zhongwen, secretary of the Dandong City CPC Committee, introduced the situation of the work of Dandong City to the distinguished Korean guest at their boarding place. In the evening, the Dandong City CPC Committee held a banquet to warmly welcome the delegation of the North Pyongan Provincial WPK Committee of the DPRK.

COMMENTARY URGES HONG KONG TO DISPEL CONCERNS

HK241300 Beijing ZHONGGUO XINWEN SHE in Chinese 1016 GMT 24 Sep 84

["Commentary: 'Dispel Short-Term and Long-Term Worries, Shoulder the Heavy Responsibility'" -- ZHONGGUO XINWEN SHE headline]

[Text] Hong Kong, 24 Sep (ZHONGGUO XINWEN SHE) -- China and Britain will soon initial a joint statement on the Hong Kong issue. This will pave the way for China to recover its sovereignty over Hong Kong. A new problem which Hong Kong people will face is how to take up the historic responsibility of "Hong Kong people administering Hong Kong" 13 years later and how to build a better Hong Kong.

These days Hong Kong people have delightedly noticed a good economic trend. The once sluggish stock market has climbed upward with the Heng Sang Index easily breaking the 1,000-point mark. This good trend was won by investors with their own confidence. This confidence is due to the epoch-making policy of "one country, two systems," to good Sino-British relations, and to various favorable factors, including the forthcoming initialing of the Sino-British agreement.

Apart from the stock market, the latest figures issued by the Statistics Department of the Hong Kong Government on 18 September indicated that the total commodity trade volume from January to July this year increased by 42 percent as compared with the same period last year. In the industrial field, Taipo Industrial Estate Company disclosed a few days ago that five foreign-capital companies from the United States and Japan have recently applied to establish factories in the industrial estate. In the toy industry, this year's export volume is expected to increase by 100 percent compared with that of last year, and manufacturers have already bought new machines to meet new development. People in real estate circles also believe that property prices have touched bottom and the real estate business is expected to recover in the second half of this year.

What will be the situation after the initialing of the Sino-British agreement? This is really a question which people are very much concerned about. We have reason to believe that the 10-point statement made by British Foreign Secretary Howe on 1 August this year could be viewed as an important moment testing the confidence of investors. When the statement was issued on 1 August, the Hang Seng Index stood at 826.74 points, an increase of 26.59 points over the previous day. On 2 August, the Hang Seng Index increased greatly, by 67.35 points, to reach 894.69 points.

Howe's 10-point statement disclosed the principle of the Sino-British agreement and investors had confidence in the principle, resulting in a boost to the stock market. Now, we have every reason to believe that after the official initialing of the Sino-British agreement, people should be more confident and Hong Kong people need not be laden with anxieties.

While the people are taking an active attitude in dispelling short-term worries, they should also at the same time make efforts to dispel long-term worries. These long-term worries are probably the people's anxiety about whether the notion "one country, two systems" can be implemented for long in Hong Kong. Undoubtedly, this is a new topic in modern society. The sincerity of this conception is known to all. In recent years, China has exerted its utmost effort with earnest sincerity to enhance contacts and cooperation with other countries. The purpose is to promote world peace and stability and enable our country, which has one-fourth of the world's population, to concentrate its attention on economic construction in such a stable environment. Meanwhile, China has also done its best to eliminate the pernicious influence of the "left" deviation. This has been done to prevent the occurrence of another upheaval like the Cultural Revolution. Director Xu Jiatun has also publicly said that cadres in the mainland will not be allowed to interfere in Hong Kong affairs, so as to ensure that Hong Kong's current system will remain unchanged for 50 years.

The problem at present is not whether the state will allow Hong Kong to continue to practice the capitalist system, but whether or not Hong Kong can implement this system. Nothing can be settled if you are always worried about the system. Heaven has entrusted great responsibilities to the Hong Kong people. The actual responsibilities should be undertaken by the Hong Kong people themselves. As Mr Hu Hanhui, director of the Hong Kong Gold and Silver Stock Exchange, said: "Chairman Deng Xiaoping put forward the conception of 'one country, two systems' to ensure the future prosperity and development of Hong Kong. This is what the Hong Kong people expect. The significance of this conception is beyond the scope of Hong Kong. If the world can become a society with the coexistence of two systems, it will then be a peaceful and harmonious society. The great creation of the notion 'one country, two systems' will also occupy a certain position in the world's political history."

History has demanded the Hong Kong people to be of one heart and one mind, to go through thick and thin, and to further unite to build Hong Kong well and value this economically competitive market. The pernicious influence of the "left" deviation or any other interference which would obstruct the prosperity of Hong Kong is not welcomed and is against the will of the people. The Hong Kong people can certainly make their due contributions to the prosperity and stability of Hong Kong, to the revitalization of China, and to the great cause of the reunification of the motherland.

PRC PHOTO EXHIBIT OPENS IN PHILIPPINES

OW241342 Beijing XINHUA in English 1314 GMT 24 Sep 84

[Text] Manila, September 24 (XINHUA) -- An exhibition of color photographs of achievements of the People's Republic of China in the last 35 years was opened at the national library building here this evening.

The exhibition, "New China Forges Ahead Toward Prosperity," was sponsored by the Institute of National History and the National Library of the Philippines in cooperation with the Chinese Embassy here to celebrate the 35th anniversary of the founding of the People's Republic.

The well over 100 photos show the impressive progress made by the Chinese people in industry, agriculture, science and technology, education and culture, public health, sports and their living standard as well as some scenic spots and historic sites. Minister of Education, Culture and Sports Jaime Laya attended the opening ceremony and cut the ribbon for the exhibition.

Zhang Jingfeng, charge d'affaires ad interim of the Chinese Embassy, presented to the national library 250 titles of works on Chinese history and culture.

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'IMPORTANT DOCUMENT' READY FOR NEXT CPC PLENUM

OW250850 Beijing XINHUA Domestic Service in Chinese 0741 GMT 25 Sep 84

[Text] Beijing, 25 Sep (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC Central Committee, said today at the opening ceremony of the new school year for the Central Party School that the CPC Central Committee has decided to convene the 3d Plenary Session of the 12th CPC Central Committee soon.

The 2d Plenary Session of the 12th CPC Central Committee, held last year in Beijing in mid-October, adopted the "Decision of the CPC Central Committee on Party Rectification."

Xi Zhongxun said: The central authorities have recently worked out an important document on issues concerning the reform of the economic system for the 3d Plenary Session of the 12th CPC Central Committee to be held soon. This document has integrated the universal truth of Marxism with the concrete realities of the revolution in China in close connection with the actual conditions in the country. It has not only correctly summed up the historic and current experiences and drawn lessons, but it also scientifically solved the new problems that have cropped up in the course of doing actual work and enriched Marxist politico-economics and scientific socialism.

He said: This document will definitely play a tremendous role in promoting China's four modernizations program after it has been discussed, adopted, and released by the 3d Plenary Session of the 12th CPC Central Committee.

FANG YI, SONG JIAN AT NEW INFORMATION CENTER

OW211612 Beijing XINHUA in English 1515 GMT 21 Sep 84

[Text] Beijing, September 21 (XINHUA) -- Construction of China's largest science and technology information center began here today. Speaking at a ceremony to mark the construction of the center, Song Jian, minister in charge of the State Science and Technology Commission, said it is a new step to modernize the country's scientific and technical information work.

Located in Western Beijing, the 64,000-square-meter center will be equipped with computers, a Chinese language word processing system, more than 30 terminals and other advanced microfilm and duplicating equipment. Its data bank will also have on-line information retrieval links with ten major domestic cities and international document and data bases. Other facilities will include 30 reading rooms seating 1,500 people, a 600-seat meeting hall, ten exhibition halls and discussion rooms, and an outdoor exhibition ground for industrial products and machinery. It will be able to store four million volumes of scientific documents and other data. The center is scheduled for completion in early 1987.

Present on the occasion was Fang Yi, member of the Political Bureau of the party Central Committee and state councillor.

WANG ZHEN, OTHERS ATTEND BEIJING HOTEL RECEPTION

OW231143 Beijing XINHUA Domestic Service in Chinese 1705 GMT 20 Sep 84

[By reporter Qiu Yongheng]

[Text] Beijing, 20 Sep (XINHUA) -- Beijing Hotel held a reception in its banquet hall this evening to mark the 10th anniversary of the opening for business of its east wing and the 30th anniversary of the completion of the west wing.

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CHINA
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Wang Zhen, Yang Shangkun, Song Renqiong, Zhang Tingfa, Duan Junyi, Wang Rengzhong, Ye Fei, Zhang Aiping, and other leading comrades as well as leading comrades of Beijing Municipality attended the reception to extend their congratulations. Comrade Deng Yingchao sent a message extending her warm congratulations. She hoped that Beijing Hotel "will continue to carry forward its patriotic and internationalist spirit on the foundation of its past success, raise its service quality, promote friendship with people of various countries, and make new contributions to the four modernizations."

Founded in 1900, Beijing Hotel expanded in 1974 to add an east wing in compliance with instructions from the late Premier Zhou Enlai. This has made Beijing Hotel a first-class, large and well-equipped modern hotel in Beijing to serve mainly foreign guests.

WANG ZHEN ATTENDS BEIJING EXHIBITION OPENING

OW231144 Beijing XINHUA in English 1123 GMT 23 Sep 84

[Text] Beijing, September 23 (XINHUA) -- Five exhibitions on China's economic achievements in rural areas opened at the national agricultural exhibition center here this morning. Wang Zhen, member of the Political Bureau of the Central Committee of the Chinese Communist Party, cut the ribbon for the opening ceremony.

With more than 16,000 kinds of goods on display and sale, the exhibitions form the largest single display ever staged in Beijing. Sponsored by the Ministry of Agriculture, Animal Husbandry and Fisheries, the Ministry of Water Resources and Electric Power and the People's Government of Jiangsu Province, the event coincides with the 35th anniversary of the founding of the People's Republic of China.

One of the exhibitions depicts the nation's progress over the past 35 years in agriculture, animal husbandry, forestry, land reclamation, rural industry, water resources and electric power, agricultural technology and education, with diagrams, tables and charts. The exhibition features the period from 1979 to 1983 during which agricultural output value grew at 7.9 percent a year -- among the highest in the world -- following the rural economic reforms since 1979. Another exhibition, on agricultural technology, shows 1,600 items of new techniques in agriculture, animal husbandry, fisheries, land reclamation and rural industry. Discussions will be held on technology transfer during the exhibition.

Also attracting visitors' attention is a sales exhibition of state farm products. It has more than 530 types of items on sale, including coffee from Yunnan Province in the southwest, honeydew melons and raisins from Xinjiang in the northwest and prawns from Liaoning in the northeast. They come from 2,000 state farms all over the country. The sales exhibition of products of enterprises under the Ministry of Water Resources and Electric Power will sell consumer goods of 12 categories including cereal-based foodstuffs, aquatic products, fruits, textiles and native produce.

East China's Jiangsu Province, national leader in rural industries, has a separate pavilion displaying textiles, metals, chemicals, machinery, electronics, general merchandise and foodstuffs. The agricultural technology exhibition will remain open until November 10 and all the others are scheduled to close on October 10.

YU QIULI ATTENDS NAVY MEETING ON TRAINING

OW210956 Beijing XINHUA Domestic Service in Chinese 1227 GMT 18 Sep 84

[By reporter Zhao Qi]

[Text] Hangzhou, 18 Sep (XINHUA) -- The Navy's on-the-spot experience-exchange meeting on studying science and general knowledge and training qualified personnel to suit the needs of both military and local construction was held in a certain escort vessel unit of the East China Sea Fleet on 18 September.

Yu Qiuli, member of the Political Bureau of the CPC Central Committee and director of the PLA General Political Department, and responsible comrades concerned of the PLA's general departments and all major PLA units were present at the meeting. Wang Fang, secretary of the Zhejiang Provincial CPC Committee, and Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee, were invited to attend the meeting.

The meeting was presided over by Li Yaowen, Navy political commissar. In his opening speech, Navy Commander Liu Huaqing said: Yang Shangkun, permanent vice chairman of the Central Military Commission, recently emphatically pointed out: In order to promote the construction of the Navy centering around modernization, we must grasp rich scientific and general knowledge to train a large number of qualified modern military personnel. We must resolutely implement the directive issued by the leading comrades of the Central Military Commission and grasp the training of a large number of qualified modern military personnel as a strategic task. It is necessary to proceed from the actual situation of the naval units, keep to the principle of the military's playing the dominant role, and incorporate the study of scientific and general knowledge into the tracks of education and training. As well, the training of qualified personnel to suit the needs of both military and local construction should be incorporated. This should be done to bring the Navy's superiority into full play and speed up the training of qualified personnel.

At the meeting, a leading comrade of a certain escort vessel unit of the East China Sea Fleet introduced the unit's experience of training qualified personnel to suit the needs of both military and local construction. This unit has made efforts to build each warship into a fighting fortress defending the motherland's territorial waters and a "school on the sea" bringing up qualified personnel for the construction of modernization. Young seamen study scientific and general knowledge and various specialized skills aboard warships and grasp the ability to build and defend the motherland. According to statistics, the number of good technical hands this unit now has increased by more than 200 percent over 1980.

Representatives of the advanced units invited to attend this meeting will separately introduce their experience during the period of the meeting. Also attending the meeting were representatives of the Civil Affairs Ministry, the Labor and Personnel Ministry, the People's Armed Police Corps and other departments concerned and the representatives of some local departments which have achieved good results in helping the unit train qualified personnel.

4. FURTHER ON GU MU VISIT TO SHANDONG 3-19 SEP

SK220557 Jinan Shandong Provincial Service in Mandarin 2300 GMT 21 Sep 84

[Text] From 3 to 19 September, Gu Mu, secretary of the CPC Central Committee Secretariat and state councillor, inspected Yantai, Qingdao, Weifang, and Jinan in the company of (Yan Ying), vice minister of the State Economic Commission, and comrades of the State Planning Commission and the State Council special economic development zone administrative office.

On the morning of 19 September, Comrade Gu Mu heard briefings in Jinan by the Shandong Provincial CPC Committee and the provincial People's Government on the province's situation in economic development and opening to the outside world. Comrades Liang Buting, Lu Maozeng, Li Changan, Li Zhen, Jiang Chunyun, and Ma Shizhong gave briefings. After the briefings, Comrade Gu Mu said: Shandong has rich natural resources both on land and underground. Its output of petroleum, coal, aquatic products, peanuts, and fruit occupies a definite place in the country. Conditions for development in various fields are favorable. Efforts should be made to further attend to two major matters -- economic reform and opening to the outside world -- and fully mobilize the enthusiasm of all quarters. I am convinced that Shandong's economy will be further improved and enlivened.

LI PENG APPOINTED HEAD OF STATE COUNCIL GROUP

OW211451 Beijing XINHUA Domestic Service in Chinese 1304 GMT 19 Sep 84

[Text] Beijing, 19 Sep (XINHUA) -- The State Council on 15 September issued a "Circular on the Establishment of a Leading Group in Charge of Revitalizing the Electronics Industry."

To greet the world's new revolution in technology and speed up China's four modernizations, it is imperative to emphasize the development of new industries, the "circular" pointed out. Among today's new industries, the information industry is the most important, active and influential, one that is a central factor. In order to upgrade our country's information industry and use its various technological means to reform our traditional industries, it is necessary to place the electronics industry in an extremely important position in the national economy's development and make every possible effort to promote it. This is a matter of prime importance and an arduous task.

The "circular" says: In the interest of strengthening the centralized leadership over the growth of our electronics and information industries and effectively pushing this task forward, the State Council has decided to redesignate its leading group for development of computers and large-scale integrated circuits as its leading group in charge of revitalizing the electronics industry. Vice Premier Li Peng is appointed head of this new leading group and Lu Dong, Song Jian, [1135 0256] Zhao Dongwan, Nei Li, and Jiang Zemin are appointed deputy heads of the group.

The "circular" explicitly spells out the task of the new leading group as follows: Strengthen the unified leadership over the electronics trade and the information industry undertakings; formulate the strategies, principles, policies and other important measures for their development; examine the key development plans while supervising their execution; put the main force of scientific research and production of the electronics industry into specialized cooperation orbit; review important items that need to be imported; coordinate various departments and areas on major questions concerning scientific research and construction of important projects related to the electronics and information industries; and organize various ministries and commissions concerned to carry out cooperation in an effort to promote the work of revitalizing the electronics and information industries according to the division of work of the various ministries and commissions concerned.

SONG PING PRESENT AT SHANGHAI ECONOMIC MEETING

OW250218 Beijing XINHUA Domestic Service in Chinese 1546 GMT 22 Sep 84

[By reporter Zhang Gaopeng]

[Excerpts] Shanghai, 22 Sep (XINHUA) -- A discussion meeting to study the strategy and campaign of Shanghai's economic development opened in Shanghai on 22 September. State Councillor Song Ping and President of the Chinese Academy of Social Sciences Ma Hong were present at the meeting.

At the meeting, Wang Daohan, secretary of the Shanghai Municipal CPC Committee and mayor of Shanghai, said: The strategy of Shanghai's economic development is the focus of China and the world's attention. The factors in the strategy of Shanghai's development are more complicated, and call for group consultations of resourceful and resolute experts in all fields. Comrades working in Shanghai cannot prevent great limitations in their understanding of the city. To fully understand Shanghai, we must make an analysis in the light of developments at home and abroad and with a higher, further and broader scope. To develop Shanghai, we must closely coordinate and associate with the Shanghai Economic Zone, the Chang Jiang Valley, all the coastal areas and all provinces, municipalities, and autonomous regions of China. We must make full use of all favorable overseas conditions and actively open up the international market.

He said: The leading comrades of the CPC Central Committee and the State Council have issued many important directives on Shanghai's economic work. Generally speaking, the directives call for us to transform and develop the traditional industries, increase the proportion of new industries, vigorously develop "tertiary industry," and build Shanghai into a multifaceted economic center. In implementing this principle, we must seriously analyze Shanghai's position and conditions, both favorable and unfavorable. We must change unfavorable conditions, bring its superior position into full play, and invigorate Shanghai, an old industrial base and economic center.

The meeting will end on 26 September.

TIAN JIYUN LAUDS JIANGSU TOWNSHIP ENTERPRISES

OW211341 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 20 Sep 84

[Text] Vice Premier Tian Jiyun visited the preview of a Jiangsu township enterprises exhibition at the national agricultural exhibition center in the company of Lu Dong, vice minister of the State Economic Commission, and Gu Xiulian, governor of Jiangsu Province, on the evening of 19 September.

Comrade Tian Jiyun first visited the products exhibition center, where over 2,000 textile, building material, electronic, food, and other products were on display. He then arrived at the information exhibition center, where he was briefed by the center's attendants of facts about the development of township enterprises in Wuxi and Shazou Counties, (Bixi) township in Changshu City, (Gaogou) Township in Lianshui County and 22 other units.

While visiting the exhibition, Vice Premier Tian Jiyun said, Jiangsu has become the pace-setter of the nation in rapidly developing township enterprises. It has spared no efforts, overcome countless hardships and endured endless complaints while developing township enterprises. Tian Jiyun said that the three salient features of Jiangsu in developing township enterprises are: first, speed; second, quality products of a rich variety; and third, good economic results. This testifies to the fact that the township enterprises have great vitality and have just begun their vigorous ascent. Township enterprises are indispensable to large enterprises as they play a supporting role as satellite plants.

At present, it is important to encourage a trend for the development of various forms of cooperation between large and small enterprises.

Vice Premier Tian Jiyun said, over the past several years, particularly since the 3d Plenary Session of the 11th CPC Central Committee, Jiangsu's township enterprises have persisted in serving agriculture, large industrial plants, the people's livelihood, and exports. That is good. He hopes that Jiangsu's township enterprises will make the best use of the strong points of each, adapt to local conditions, and strive to become even more prosperous. He urged Jiangsu to adopt a correct policy concerning township enterprises, do away with egalitarianism and indiscriminate transfer of resources, give financial support to township enterprises, and provide generous help to and adopt a more relaxed policy toward the relatively underdeveloped localities in northern Jiangsu Province so that their economies can also be speedily developed. The achievements and experience of success gained by Jiangsu's township enterprises over the past several years will have a wide impact on the whole nation. Their experience should be summed up well so that Jiangsu's township enterprises can become even more prosperous and make still greater contributions to the entire national economy.

ZHANG JINGFU CABLE GREET'S RECLAMATION PROJECT

OW210803 Beijing XINHUA Domestic Service in Chinese 1159 GMT 19 Sep 84

[By reporters Zhang Yueliang, Shi Meisi]

[Text] Zhuhai, 19 Sep (XINHUA) -- An inaugural ceremony for the Modao Men reclamation project, a major gateway to Zhu Jiang, was held in the Zhuhai Special Economic Zone on 18 September. This is the largest reclamation project at a river mouth since the founding of our country. State Councillor Zhang Jingfu cabled his congratulations on the project.

The project, which involves reclamation and development of 200,000 mu of coastal resources, will help control floods and facilitate drainage, irrigation and shipping at the mouth of the Modao Men. Offering great economic value, it will prevent disasters and bring benefits.

The Modao Men project will be undertaken by "the Zhuhai Special Economic Zone Modao Men Comprehensive Development Company Limited," which was jointly financed by China Everbright Industrial Co., Ltd., the Zhujiang Irrigation and Water and Power Development Corporation, the Zhuhai Special Economic Zone Agricultural Development Corporation, and the Reclamation Company of Doumen County. Exploiting the advantages offered by the Zhuhai Special Economic Zone in opening to the outside world, the Everbright Company will import modern reclamation equipment as well as advanced industrial and agricultural production techniques, facilities, and methods of management to set up, on 200,000 mu of land, a modern comprehensive enterprise that incorporates agriculture, industry, trade, and tourism. From here China will gain experience in using modern methods to improve conditions at the mouths of its major rivers. With a total investment of 240 million yuan, the project is expected to be completed in 1990.

DENG YINGCHAO INSCRIBES KMT-CPC PHOTO HISTORY

OW231155 Beijing XINHUA Domestic Service in Chinese 0807 GMT 21 Sep 84

[Text] Beijing, 21 Sep (XINHUA) -- A photograph album on the "Second Cooperation Between the Kuomintang and the CPC" will soon come off the press in celebration of the PRC'S 35th founding anniversary.

Compiled by Tong Xiaopeng, vice chairman of the CPC Central Committee's Commission for Collecting Party Historical Data, this photograph album is a valuable historical record which is essential to those who do research work on the CPC's policy of forming a national united front against Japanese aggression and on the second cooperation between the Kuomintang and the CPC.

Deng Yingchao, member of the Political Bureau of the CPC Central Committee and chairman of the CPPCC National Committee, wrote an inscription on the album: "The Chinese People -- Descendants of Yen Di and Huang Di -- Are Patriots Who Belong to One Family; Reunify the Motherland and Revitalize the Chinese Nation." The preface to the album was written by Lu Dingyi, member of the Standing Committee of the CPC Central Advisory Commission. It reads in part: The CPC has proposed to the Kuomintang authorities in Taiwan that our two parties carry out cooperation for the third time. Readers of this photograph album will be able to gain new insights through restudying old material because this album is a collection of true facts of the past. Reviewing the past will help the Chinese people -- descendants of Yen Di and Huang Di -- understand what road they should take.

Tong Xiaopeng was a member of the staff of the CPC delegation in Xian, Wuhan, Guilin, Chongqian, and Nanjing between the end of 1936 and March of 1947 and worked in the offices of the Eighth Route Army in these cities during this period. He is an eyewitness to the historic developments in those distant years. Specializing in photography, he has collected a host of valuable historical material. He took many of the pictures in this photograph album. The album has more than 620 photographs taken during the period from the "18 September Incident" in 1931 to the founding of New China in 1949. Each photograph has a caption to explain the picture. The album will be published by the Wenwu [Cultural Relics] Publishing House and will be issued domestically and in Hong Kong and Macao at the same time.

HU YAOBANG, WANG ZHEN INSCRIBE MEMORIAL HALL

OW221150 Beijing Domestic Service in Mandarin 0900 GMT 20 Sep 84

[Text] The newly built memorial hall for Tao Xingxi, a people's educator, will be open to the public soon. Comrade Hu Yaobang has written the name board of the hall, and Comrade Wang Zhen has written the inscription, "He devoted himself to education."

PENG ZHEN WRITES TITLE FOR SHANXI NEWSPAPER

HK250205 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 24 Sep 84

[Text] NPC Standing Committee Chairman Peng Zhen recently wrote the masthead title for YANGQUAN BAO, and the 25 September issue carries this title. Beginning on 1 October the paper will be published 6 days a week instead of the present 3.

REPORT ON PLA 'MARCH TOWARD MODERNIZATION'

HK250354 Beijing RENMIN RIBAO in Chinese 21 Sep 84 p 4

[Report: "PLA Marching Toward Modernization"]

[Text] "March on, march on, march on...." The Chinese People's Liberation Army march is played today in a melody of modernization.

The modernized establishment system has changed the features of the Army with a new structure. Since the founding of the PRC, the PLA has ended its history of relying solely on the infantry with "two legs and a rifle" in war.

At present, the PLA is entering upon a new developmental stage: Organizing composite armies, strengthening building of new technical troops and reserve forces, and gradually shaping itself into a scientific and rational comprehensive system suitable to modern warfare requirements, with an overall striking power.

For a modernized Army, modernized weaponry is indispensable. The PLA came into being with "millet plus rifles." The outmoded weaponry displayed in the dress parade at the grand ceremony of the founding of the PRC has entered the museum of history with yesterday's honor. Today, our Army's weaponry is developing toward mechanization, automation, and using electronics on the basis of realizing systemization. Its firepower, assaulting power, mobility, and powers of defense and quick response have all been greatly strengthened.

A modernized Army needs many people talented in military affairs who have a better cultural background and a higher level of scientific knowledge. The more than 100 command and specialized technical academies and institutes are the cradles for training these new-type talents. Over the past 6 years, more than 1 million cadres of various categories have been trained. Among the members selected for the leading bodies at regiment, division, and army levels last year, more than 70 percent of them have been trained in military academies or institutes. The military training of our Army is undergoing a historical change today. Military exercises on various scales on land, at sea, and in the air, represented by the north China military exercise, have strengthened the combat effectiveness of troops in fighting, cooperation, organization and command, quick response, electronic countermeasures, supply and logistics and the power of existence in field operations.

The Army of the sons and brothers of the Chinese people is marching forward to the beat of the melody of modernization!

XINHUA DETAILS PLA ADVANCEMENTS, SPIRIT

OW241840 Beijing XINHUA Domestic Service in Chinese 0244 GMT 24 Sep 84

[Text] The People's Liberation Army's combat capabilities for safeguarding the motherland are being steadily enhanced. The heroic PLA is veritably an indestructible Great Wall of steel in safeguarding the peaceful life of the people and defending our four modernizations drive.

Since the founding of the People's Republic, the PLA, after accomplishing the task of unifying our mainland motherland, has faced military provocations and invasions of the enemies many times, and has risen in self-defense and struck back at the enemies. It has protected the newborn people's regime, safeguarded the territorial integrity of our country, and guarded our people's lives and properties with lives and blood. Even today, our heroic frontier guards are bravely fighting for every inch of our motherland's sacred land with their youth and blood in the border areas of Guangxi and Yunnan.

As our socialist motherland becomes more prosperous and strong and as the modernization of national defense speeds up, the PLA shows its ever-increasing combat strength.

Not only has this heroic Army developed from mere infantry to a compound military force consisting of Air Force, Navy, artillery troops, armored forces, engineering units, signal corps, and strategic guided missile units; but it has also greatly improved its capability of fighting in coordination and its quick-response ability under modern war conditions.

~~Its firepower, surprise attack capability, mobility, self-defense capability, and strategic nuclear counterattack power~~ have also been considerably enhanced.

On weaponry and equipment, it now has not only self-made large-caliber cannons, tanks, armored vehicles, warplanes, warships, submarines, and other conventional weapons, but also atomic bombs, hydrogen bombs, medium- and long-range guided missiles, and other strategic weapons for self-defense use that have been manufactured with our own efforts. A system for developing, testing, manufacturing, and guarding against the attack of strategic weapons has also been initially set up.

As the Army becomes increasingly familiar with modern technology in jet engines, electronics, semiconductors, and lasers and its increasing applications of electronic computers in computation, control, displaying, navigation, processing, and survey, its automation system for fighting command has been considerably upgraded.

The combat strength of the People's Air Force air units has reached historic heights. From the east to the west and from the south to the north, the air units, along with the Air Force ground-to-air guided missile units, are now vigilantly defending the sacred airspace of the motherland day and night.

The People's Navy has developed from a naval force capable only of fighting in coastal areas to one capable of fighting in the Yellow Sea, East China Sea, and South China Sea, and is developing toward automation using guided missiles and electronic equipment. It has formed a three-dimensional defense system capable of fighting underwater, on the surface, in the air, and along the coasts.

Following the rapid development of the Army, Navy, Air Force, guided-missile units, and other new service arms, the military's logistics building also has entered a new stage. It has initially built up a comprehensive capability under modern war conditions to ensure provision of a better guarantee to improve our Army's fighting capacity in defending our motherland.

The ability of the vast number of commanders and fighters, particularly the commanders and fighters of the various technical arms of service, to control modern weapons and equipment has greatly improved. The great majority of the fighters of the whole Army have a junior or senior high school education. Most newly promoted grassroots cadres are college educated, and the majority of middle and senior cadres have been trained in military academies. A great number of outstanding commanders, who have broader scope of knowledge and who are conversant with the art of modern war command, are emerging.

In carrying out the sacred mission of safeguarding the motherland and the four modernizations drive, commanders and fighters of the whole Army have persistently maintained and carried forward a lofty, self-sacrificing, and dauntless spirit that would crush all enemies and surmount every difficulty. No matter how formidable and difficult the situation, the people's fighters' loyalty to the motherland and people remained firm and steadfast. On offshore islands, in frontier areas, in the desolate Gobi Desert, and on the frontlines of Lao Shan and Zheyin Shan, the people's soldiers, with their deep love for the motherland and people, tightly guard the doors of the motherland, enduring untold hardships and ignoring sacrifice and bloodshed. This power induced from high-degree patriotism and revolutionary heroism is sufficient to conquer any enemies.

DIFFERENCE BETWEEN CONSUMPTION, WASTE STRESSED

OW231005 Beijing XINHUA Domestic Service in Chinese 0818 GMT 20 Sep 84

[Commentary by XINHUA commentator: "Do Not Regard Consumption as Waste" -- XINHUA headline]

[Text] Beijing, 20 September (XINHUA) -- Now in both the cities and rural areas of our country, more and more people like to eat good food, wear good clothes, and use daily necessities of good quality. Even some leading comrades of the central departments have taken the lead by wearing Western suits or other new styles of clothes. This change in consumption is liked by our compatriots and praised by foreigners. It is a new phenomenon which shows the increasing prosperity of our country and the gradual improvement of the people's everyday life.

A few comrades, however, do not approve of this change and even regard it as a manifestation of waste not in line with our virtue of hard struggle and plain living.

It is beyond all doubt that we should oppose and avoid waste at any time. Ours is still a rather poor country, and the people at large should do hard work, lead a plain life, and wage arduous struggles to accelerate the pace toward the four modernizations. As for the daily life of each individual, it is necessary to make careful calculations and keep spending within income limits instead of indulging in extravagance and waste.

However, waste and consumption are two different things. Since the 3d Plenary Session of the 11th CPC Central Committee, the income of cadres and masses has gone up in varying degrees with the development of production. Accordingly, people have begun to improve their material as well as spiritual life in line with their income. They have been eating better foods, wearing better clothes, and using better daily necessities. Many people have "several new big things" in their houses and are decked out with "several new big things" when they are in public. This is a new change in the people's daily life resulting from the implementation of the party's line, principles, and policies formulated since the 3d Plenary Session of the 11th CPC Central Committee. It represents normal consumption.

The question of a few people mistaking consumption for waste is not only an issue of confusion between two different things, but also shows that these people are affected and bound by traditional ideas. In the opinion of some comrades, we felt proud to lead a frugal life and were pleased to bear hardship in the revolutionary war years. Now that we stress consumption, doesn't this discard our old tradition?

As can be seen, these comrades have confused thought in three aspects that should be clarified.

1. We should bear hardship to accomplish the revolution, but the revolution's purpose is by no means to bear hardship. On the contrary, the persistent struggle we carried out under difficult conditions was aimed at changing the hardship of the broad masses of people and enabling them to lead a happy life. Now we are engaged in socialist construction and have a very explicit goal in developing socialist production, that is, to satisfy the ever-growing needs of the masses of people in their material and cultural life. If we stressed production without paying attention to consumption, the people's everyday life could not be gradually improved with the development of production. In that case, production would no longer be meaningful, and it would be very hard for the people to see the superiority of socialism in their vital material interests.

2. The level of consumption as reflected in people's food, clothing, and other aspects of daily life should change with the variations of objective material conditions.

In the hard years, when we had to be frugal with food and clothing in order to support the war and the development of production it was a divorce from reality and the masses to seek material comforts beyond what our conditions could permit. Now that production has been developed and conditions exist for a gradual improvement of the people's daily life, if we still advocated such slogans as: "After using them as new clothes for 3 years and old clothes for another 3 years, we can still wear them for 3 more years after proper mending," and if we forced everyone to lead a life as hard as an ascetic Buddhist monk and even believed this is the only way to be revolutionary, it would also be unreasonable and divorced from reality and the masses.

3. Consumption is not only a question concerning the people's daily life. In a certain sense, it is as important as accumulation and is one of the indispensable conditions for the expansion of reproduction. Those engaged in production invariably need something to eat, wear, and use, and require some kinds of entertainment. Under the guidance of the correct ideology, the better their consumption conditions, the better their physical and mental state and the greater their enthusiasm for production. Without the guarantee in this regard, the program of the four modernizations would not be successful even with modern means of production, namely, modern machines and tools.

In our past work, under the "left" influence, we overemphasized accumulation and ignored consumption, thinking this would quickly expand reproduction. As a matter of fact, however, haste made waste, and the opposite was the case. In the past few years, we eliminated chaos, restored order, and took appropriate steps to cut the rate of accumulation and to increase the proportion of consumption in the readjustment of the national economy, thus solving the problems which had lasted for many years in the people's daily life. In this way the living standards of both urban and rural people have been raised to a remarkable extent. The improvement of the people's daily life has resulted in greater market demands, which have, in turn, increased the sales of products. Our economic growth has not been slowed down but quickened, and a prosperous state has appeared.

Marx pointed out: Without production, there would be no consumption. Likewise, without consumption, there would be no production. The correctness of this thesis was proven long ago by the practices of various countries of the world. Increasing consumption without developing production, we will use up all we have and will have no material foundation for improving our life. Without increasing consumption, products will have no good market, and the development of production will be restricted. Let us encourage consumption on the basis of developing production to keep satisfying the ever-growing needs of the masses of people in their material and cultural life.

JINGJI GUANLI ON ARMS INDUSTRY, CIVILIAN PRODUCTS

HK210837 Beijing JINGJI GUANLI in Chinese No 8, 5 Aug 84 pp 4-7

[Article by Li Tao: "The Strategic Question of the Arms Industry's Developing the Production of Civilian Products"]

[Text] The policy of "combining military needs and civilian needs, combining peacetime needs and wartime needs, giving precedence to military goods (when first proposed, this was 'taking the production of military goods as the main task,' but in January 1982 it was changed to 'giving precedence to military goods') and using the civilian to support the military" was proposed by the CPC Central Committee as a summary of our nation's experiences since the founding of the PRC in developing our defense industries. It is a long-term strategic policy formulated on the basis of defense industries characteristics and the objective laws of war. The defense industries mainly serve the forces, but the amount of weaponry they require in peacetime is much different from that required in times of war.

Thus, in peacetime, the defense industries must maintain and reserve an appropriate productive capability in order to satisfy the great needs of war. At the same time, they must also rationally utilize surplus productive capacity to produce civilian goods required by the state and the people in order to serve the national economy's development. This article is only a tentative exploration of the various strategic questions of combining military and civilian needs and developing the civilian products of the arms industry.

The Direction of Development Civilian Products.

The arms industry has a number of traditional civilian products, such as explosives equipment, guns and bullets for civilian use, telescopes and motors for both civil and military use, and so on. These civilian products have been produced continually since the founding of the PRC. In 1975, when the production of civilian goods by the arms industry was at a low ebb, the production value of civilian goods produced constituted 6.9 percent of total production value. This was the lowest production value recorded for civilian goods. Since the 3d Plenary Session of the 11th CPC Central Committee, the arms industry has implemented the policy of combination and year-by-year has developed a number of civilian products. These newly developed civilian products include machine products, chemical products, optical products and daily-use mechanical and electrical products. At the end of 1983, these totaled 15 types in over 300 varieties. The value of civilian production had risen to 20 percent of total production value. At present, the new situation which the production of civilian products by the arms industry faces is that on the one hand, many civilian products, especially daily-use mechanical and electrical products are at saturation point, or production exceeds demand, and competition is intense. On the other hand, the construction of key national projects and important projects of technological transformation still lack much equipment or are in short supply, and these projects urgently demand development. Thus, how should we adjust the product mix and what, on the whole, are the strategic aims in the development of civilian products of the arms industry? This becomes the first problem to be resolved in the development of civilian products by the arms industry.

After the implementation of the combination of military and civilian needs, the arms industry enterprises were gradually transformed from production types to production management types and they developed from unitary production of military goods to concurrent production of various types of military and civilian goods. Although the production of civilian goods is restricted by the market, following the development of the national economy and the development of new products, the production of civilian products will rise yearly and become a factor in the stable development of arms industry production. In the 6 years from 1978 to 1983, the production value of civilian products of the arms industry increased by 91 percent, giving an annual rate of increase of 11.1 percent. If throughout the 1980's this rate of increase is basically maintained, then by 1990 the production value of civilian products will be three times that of 1980. The proportion of civilian goods in total production value will rise to about 30 percent, which will provide a good base for the further development of the arms industry in the 1990's. If the development of civilian products can maintain a rate of increase of about 10 percent throughout the 1990's, by the year 2000, civilian production will exceed 50 percent of the total production value of the industry. This will form an important pillar of support for the arms industry's development.

The arms industry is a comprehensive industry including mechanical, chemical, optical, and electronic specialties. Thus, the direction of development of civilian products cannot be divorced from products of these specialties.

The development of civilian products by the arms industry has three advantages: First, the productive capacity is quite large and the equipment is quite complete. This is suited to the production of diversified civilian products; second, a force of workers exists with great technical abilities; third, quality is stressed, the system is well-organized, and there is a great capability to guarantee product quality. But unfavorable factors still exist such as the influence of fluctuating tasks in producing military goods; a lack of experience in producing civilian goods; a lack of management experience; channels of supply, production, and marketing are not completely free; many factories are in mountainous areas; and production costs are on the high side. On the basis of these advantages and unfavorable factors, and the practical experience of producing civilian goods over the last few years, the development of civilian goods by the arms industry should accord with the principles below:

First, the selected types of civilian products must be those which use production technologies similar to the military products and must be products in short supply or lacking throughout the nation. At present, they should vigorously serve the development of the energy, communications, foodstuffs, engineering, and packaging industries. The technological advantages of the arms industry must be brought into play, and technology intensive and labor intensive products, the production of which are difficult, should be developed. Examples of these are: hydraulic pressure supports for use in coal mines; drill keys, drill rods, and drill bits as well as salvage equipment for use in oil drilling; tunneling machines, large-scale loading machines, excavators and bulldozers for use in engineering; and heavy-duty vehicles and special-use vehicles for use in transportation; and so on. At the same time, because many of the arms industry factories are in the mountains, they should concentrate on serving the villages and developing products which are suited to the needs of the development of rural specialized households.

Second, the products must be suited to social needs and be marketable. Special attention must be paid to developing products with market potential, not products which will have to contend with an already saturated market.

Third, fully utilizing the idle production capacity of the arms industry and tapping latent potential must be kept in mind. We do not want projects requiring new capital construction or internal or external extension of factories (putting up new buildings, adding equipment, or increasing the number of staff).

Fourth, the supply of raw materials and necessary spare-parts must be assured. We cannot "cook a meal without rice."

Fifth, after formal batch production commences and products are put onto the market, they should be profitable. There should not be long-term losses.

The Economic Results of Civilian Products

The state has implemented a policy of low profit for products of the military factories. For a long time, the arms industry departments have paid primary attention to the task of completely fitting out the forces. Their ideas of economic results were hazy. If there were profits they were handed over to the state treasury and if there were losses, these were made up by the state. But developing civilian products and producing military goods are different in nature. The final aim of promoting civilian products is to have the civilian support the military. Thus the development of civilian products must take economic results as the focus. The arms industry has, through several decades of building, achieved a considerable scale.

How can we cause it to continually develop, to do well in terms of productive capacity reserves and technical reserves and to play a role in and make a contribution to the four modernizations, so that it must no longer rely entirely on government investment? The only method is to implement the combination of military and civilian needs and strongly develop civilian products. This determines that military factory enterprises, in managing civilian products, must manage in the same way as civilian enterprises. They must stress results and must, by consuming and utilizing the smallest amount of animate labor and inanimate labor, achieve the greatest amount of added value.

The traditional civilian products of the arms industry use the same technology as the military goods. Thus with the many years of production experience, these have all along been profitable products. But most of the newly developed daily-use mechanical and electrical products, for reasons of speed and impatience in their promotion and lack of experience in management, have from 1981 produced losses. Daily-use mechanical and electrical products which produced losses constituted over 94 percent of the civilian products which produced losses. From this we can see that it will be quite difficult for daily-use mechanical and electrical products manufactured by military industry enterprises to hold their own in fierce market competition. How do we evaluate the economic results of civilian goods production by military industry enterprises? On the basis of the different conditions of different military industry enterprises, there are the following three levels:

First, is where, after the production of civilian products has been decided and production has formally commenced, there is some after-tax marginal income. That is, income from sales is able to compensate for variable costs (including raw materials, fuel, expenditure on tools, and so on), pay appropriate taxes, and leave a surplus. It is also able to cover some of the factory's fixed costs (including salaries, depreciation costs, management costs, and so on). But the costs of this type of civilian good are higher than their sales value. From the cost angle, they are loss-making products. But, because they cover some of the fixed costs, they have a partial "military support" function. This can be taken as the lowest standard.

The second is where there is a small profit derived after formal production of the civilian goods has commenced. That is, income from sales exceeds the variable costs plus taxes. Not only can it compensate for the variable costs and taxes but can also share the fixed costs which the products should share, and still leave a little profit. This carries out the function of "using the civilian to support the military" and can be taken as the middle standard.

The third is where, after the production of civilian products has commenced, there are relatively large profits. Here it is possible within the lifespan of the product to recoup the entire investment and still leave a surplus. This not only carries out the function of "using the civilian to support the military" but also allows funds to be accumulated for the development of the enterprise. This is the high standard and the one we should seek.

The arms industry in producing civilian products must try hard to realize this high standard of economic results, and at least reach the low standard. If a product has no marginal income for three successive years after production commences, then production must be stopped. Production must then be reorganized or else new products developed.

Organizing the Production of Civilian Products

How a military industry enterprise can organize the production of civilian products touches on two questions. One is specialized coordination and joint production between enterprises and the other is the question of establishing production lines for production of civilian products within the enterprise.

Specialized coordination and joint production are objectives laws of modern industrial development. They are the road to follow in raising product quality and labor efficiency and in reducing product cost. But for a long period, the ideology of "large and complete" and "small but complete" has been deep-rooted in the military industry enterprises. This was apparent again when the production of civilian products was being organized and it has now become a great obstacle to developing the production of civilian products. Therefore, if we want to carry out specialized coordination and joint production, we must first get rid of the ideological obstacles of the enterprise leaders.

There are three major manifestations of this type of ideological obstacle. The first is "not seeking help from anybody," fearing that the quality of components from outside parties will not be assured, fearing supplies of goods will not be on time, and fearing that high prices will affect the costs. Thus they always try, by every possible means, to make their enterprise an "all-round" factory and are unwilling to supply parts to others. The second is where an enterprise is only willing to be a general assembly enterprise and to play the "leading role." It is not willing to engage in coordination or play a "supporting role." The third is the belief that "fertilizer should not be allowed to fall on another's fields." The reasons for these ideas include, on the one hand, the influence of the ideology of small-scale producers who lack an understanding of the increased production, improved quality, increased speed, reduced costs, low investment and other advantages which can be brought by specialized coordination and joint production. On the other hand, whether coordinated prices and profit distribution between general assembly plants and coordinating plants are rational or not, the way quality is to be assured, whether supplies or goods are timely, and questions of mutual cooperation and trust, are real problems.

In this respect, the Chongqing Jialing Machinery Factory provides us with a good example. This factory, along with eight other local factories formed the "Jialing Brand Motor Vehicle Production Economic Combination." Under the preconditions of unchanged ownership, jurisdictional relationships, and property relationships, they broke through the lines dividing the localities, departments, and ownership systems and those dividing military civilian enterprises. In accordance with the principles of economic rationality, dependable quality, neighborhood service, and stressing strong points while avoiding weak points, they established an extensive specialized coordination network with 118 enterprises within and outside Chongqing City. This resulted in the scale of motor vehicle production developing quickly, while product quality continually improved and the various factories involved in the combination all obtained economic benefits.

If we wish specialized coordination and joint production to continually develop, and the operations of combinations to continually improve, the various coordinating parties must all adhere to the principles below:

1. It is necessary to look after the benefits of all the coordinating parties. By fixing fairly rational internal prices, coordinating factories can really ensure that "profits are shared by all and are borne by all."
2. It is necessary to guarantee the quality of parts, thereby guaranteeing the quality of the completed machines. Coordinating parties must actively implement overall quality control and, in accordance with their products, establish systems for guaranteeing the quality of completed machines. Through consultation, quality standards for parts and acceptance procedures can be decided on together. If problems arise, the parties must jointly organize technological forces to tackle the problems.
3. It is necessary to supply goods on time in accordance with contracts or agreements. A general assembly plant can choose two or more fixed coordinating factories to supply identical parts.

When it places orders, it can choose the best offer from them. This will promote competition between the fixed coordinating factories.

4. It is necessary to combine departmental and area authority so as to do well in organizing the coordinating work between combinations and coordinating enterprises.

In regard to the question of military industry enterprises setting up lines to produce civilian goods, the general principle is not to set up lines, or to set up as few lines as possible. They should, as far as possible, utilize existing productive capacity or carry out production where lines are inserted into or mixed together with existing ones. But the equipment and technology of various military industry enterprises differ. Based on the last few years of practice in unifying military and civilian needs, the production lines for civilian goods are basically of three types:

1. Production on inserted lines. Here, the surplus capacity of workshops and most equipment is utilized, or else civilian products are produced at the same time as military goods. Additions are only made when some special technology is required. This type only requires a small investment and results can be seen quickly. This is the best type for combining military and civilian production.

2. Production on mixed lines. This is where the production of civilian goods is carried out in workshops and on equipment normally used for production of some of the military goods, and on some new additional equipment. The general assembly and assembly of parts mainly utilize military goods production lines. The economic results of this type are also quite good.

3. Production of special lines. This is where the production of civilian goods is carried out in newly-added workshops and on newly-added equipment. Most of the daily-use mechanical and electrical products, because they are made in large batches, are made on special lines. This type requires great investment and results take a long time to appear. Only when it comes to economic batching can there be economic benefits.

When military industry enterprises organize production of civilian products, they must analyze the superiorities of their own skills, technology, equipment, and staff. They must select products which are similar to their military products in form and in technology and which are advantageous to fully bringing into play the productive capacity which already exists. As far as possible, they should utilize production on inserted lines and on mixed lines. Only in exceptional circumstances should investment be made in establishing other special production lines.

The Transfer of Military Industry Technology to Civilian Use

The transfer of military industry technology to civilian use is also a strategic question related to the combination of military and civilian needs.

Research in advanced technologies and even in the most sophisticated technologies is for military purposes and use. Later it is gradually transferred to civilian use. This has become a law in the development of modern science and technology. For example, nuclear fission technology was initially researched for military purposes, in order to obtain a power tens of thousands of times that of dynamite. From this emerged the atomic bomb and the hydrogen bomb. As time went by, nuclear energy was transferred to civilian use, which gave rise to nuclear power stations, nuclear medicine, and so on. The development of our nation's science and technology also accorded with this law. Since the founding of the PRC, in order to strengthen the defense capability of our nation, we have centralized a considerable number of people, funds, and resources in the defense industries.

Now the defense industries have a reasonable level and base. Therefore, it is extremely necessary and timely that we use the technological and productive superiorities of the defense industries in the national economy, in order to serve the building of the national economy.

The "transfer of military technology to civilian use" broadly speaking includes two aspects: The first is where military industry enterprises themselves combine military and civilian needs. That is, they use the peacetime surplus capacity of military industry production to develop civilian goods which are lacking or in short supply in the country, thus serving the national economy. This is not only something which can promote the development of the national economy, but is a dynamic reserve (including technology and capability) of the military industry production capacity. It is an effective methods for being prepared, in peacetime, for war. The second is to fully bring into play the technological superiorities of the military industry enterprises, to take some technology which has already been successfully utilized in the military industry but which is still being explored or tested by civilian departments and, through contract agreements, coordination, transfer, exchange, and other forms, transfer it to civilian departments. This will promote swifter development of the civilian industries. In the former aspect, we have many years of experience and have achieved quite a great results. The latter aspect, although it has only existed for a little over a year and is at a rudimentary stage, has already begun to show great potential and vitality. The Chongqing Wangjiang Machinery Factory has brought into play its strong advantages in design, technology, and comprehensive processing capability. It has actively served the technological reform of light industry and the textile industry. In succession, it has, for 16 trades, including rubber, weaving, foodstuff processing, and household electrical appliances, in over 20 provinces and cities, trial-manufactured 600 pieces of machinery of 88 types. This has promoted the development of light industry and the textile industry. It is one example of the arms industry carrying out the "transfer of military technology to civilian use" and achieving very good results.

The transfer of military industry technology to civilian use is done in a number of major ways: The first is "hardware" transfer, that is, the supply of technologically advanced equipment to civilian industries. The second is "software" transfer, where the military industries serve as planning and technology consultants and provide technical training for civilian industries. The third is where advanced technological equipment and surveying and testing methods are made available to civilian industries. The fourth is direct technology transfer.

Combining Military and Civilian Needs and Combining Peacetime and War-Time Needs

The combination of military and civilian needs and the combination of peacetime and wartime needs are both determined by the objective law that what the state requires in terms of military products in wartime, is completely different from what is required in peacetime. The combination of military and civilian needs and the combination of peacetime and wartime needs are mutually dependent. They are two aspects of one thing. The combination of military and civilian needs is the end-result of the combination of peacetime and wartime needs and the prerequisite for the combination of military and civilian needs. The combination of military and civilian needs has as its point of departure "using the civilian to support the military," and the combination of peacetime and wartime needs has as its point of departure "giving precedence to military goods."

The main task of military industry enterprises is to outfit the forces. They must supply the forces with a sufficient quantity of superior arms and equipment.

Thus the military industry enterprises in carrying out the combination of military and civilian needs and the combination of peace-time and war-time needs, must first do well in terms of two reserves. The first is the military industry's technological reserves and the second is the production capacity reserves. Carrying out the combination of military and civilian needs and producing civilian products produces capacity reserves, and some production also manifests military industry technology reserves. But the reserves of military industry technology more importantly depend on strengthening the development of military products, doing well in scientific research related to the military industry, and speeding the continual renewal and replacement of weapons and equipment. In peacetime, we must implement the principle of much preparation and development but little manufacturing. This is the main task of the military industry enterprises in peacetime. At all times, the military industry enterprises should place this task in the fore. This is the meaning of "giving precedence to military goods."

COMMENTATOR CALLS FOR PHARMACEUTICALS CONTROL

HK250326 Beijing RENMIN RIBAO in Chinese 22 Sep 84 p 3

[Commentator's article] "Strengthen Pharmaceuticals Control With Legal Means"

[Text] The "PRC Pharmaceutical Administrative Law" has been officially promulgated after being approved by the Seventh Meeting of the Sixth NPC Standing Committee. This is an important step in tightening and reforming pharmaceuticals control and in ensuring the people's health.

Medicines are special commodities for preventing and curing diseases of the masses of people. Tightening control over medicines and guaranteeing their quality are a matter of great importance directly related to the health and life of the people. Since the founding of the PRC, the party and state have all along paid attention to control over medicines. Since the 3d Plenary Session of the 11th CPC Central Committee, the departments concerned have had pharmaceutical factories and drugstores consolidated and have taken measures to control and supervise the quality of medicines. However, as a result of the imperfection of the law on pharmaceuticals control, some localities, units and individuals did not stop setting up pharmaceutical factories and drugstores without authorization, and the selling of fake or low-quality medicine at the expense of people's health is quite rampant in some places. So far some major cases in these respects have not yet been dealt with according to law. This tells us that it is imperative for us to strengthen pharmaceuticals control and guarantee quality of medicines with legal means. In particular, under the new situation of opening to the outside world and reinvigorating the domestic economy, it is still more necessary for us to intensify supervision and control over pharmaceuticals. Proceeding from the health of the 1 billion people, the "PRC Pharmaceuticals Control Law" has summed up both positive and negative experiences gained since the founding of the PRC and has legalized the state's principles and policies concerning pharmaceuticals control. This is a state law which all departments in charge of production, sales, and control of pharmaceuticals should observe, and it is a component part of the law of our socialist country.

The key to implementation of the "Pharmaceuticals Control Law" lies in "abiding by the law, strictly enforcing the law, and punishing those who break the law." The work of pharmaceuticals control concerns many departments such as public health, the pharmaceuticals industry, commerce, industry, and administration of justice. All these departments should fulfill their duty and enact the law impartially. The "PRC Pharmaceuticals Control Law" stipulates that the public health departments at various levels should exercise their functions and powers of supervising and controlling pharmaceuticals.

To this end, they should make sustained efforts to establish and perfect their offices of pharmaceuticals control and build up a contingent of pharmaceuticals inspectors in order to strengthen supervision over quality of medicines. All units in charge of production and selling of medicines should take the implementation of the "Pharmaceuticals Control Law" as a major aspect in their management work. The leadership departments concerned should help and educate cadres and workers and staff members to cultivate the idea of being highly responsible for the people, to increase production of medicines, to improve conditions of business, to ensure quality, to strive to create famous brands, and to produce high-quality medicines. We should neither thrill to see profits and forget social ethics, nor should we produce and sell fake or low-quality medicines, and we should consciously enact the "Pharmaceuticals Control Law." Cadres and workers and staff members who ensure quality of medicines in accordance with the "Pharmaceuticals Control Law" should be supported and rewarded, whereas those who break the "law" should be dealt with according to it and those who commit a criminal offense should be investigated and the responsibility for a crime affixed by judicial organs. Only by strictly enforcing law and discipline will it be possible for us to carry on our work of pharmaceuticals control in line with the aim of serving the people and being responsible for them.

PRC CONFIDENT ABOUT FUTURE OF FAMILY PLANNING

OW230100 Beijing XINHUA in English 1538 GMT 22 Sep 84

[Text] Beijing, September 22 (XINHUA) — China is confident that further progress will be made in family planning, said Wang Wei, minister in charge of State Family Planning Commission, on the eve of the 35th anniversary of the founding of the People's Republic of China.

Wang Wei, who returned recently from the U.N. conference on population, said that the conference affirmed China's role as of the greatest significance in the drop of the world birth rate in the past ten years. China's birth rate dropped to 18.6 per thousand in 1983 as compared with 36 per thousand in 1949. The natural growth rate dropped to average 12.63 per thousand for 1979-1983 from 18.71 per thousand for 1971-1978.

His confidence, the minister said, was based on the support the people were giving to the national policy of family planning. It also rested on the experience the country's family planning workers had gained in these years. He noted that the national policy is based on keeping population growth in line with the economic and social development. Natural resources and ecology were also taken into consideration. China's population control, he said, was creating favorable conditions for the country's modernization and the raising of living standards. It has also produced a positive impact on solving the world population problem, because China is the most populous country in the world.

However, the minister noted that the task is not easy. By the end of 1983, the population on the mainland had reached 1,024 million. In the coming ten years China would have a new baby boom. His commission was determined to do down-to-earth work to implement the national policy.

Speaking on the recent U.N. conference on population held in Mexico, the minister said that China has beneficial cooperation and exchanges in recent years with the world population organization and friendly countries. He expressed the desire to step up multi-lateral and bilateral cooperation with all countries, especially Third World countries to make new contributions to solving the world population problem.

METEOROLOGICAL OBSERVATORIES NETWORK EXPLAINED

HK240738 Beijing RENMIN RIBAO in Chinese 20 Sep 84 p 1

["Facts and Figures" column: "A Unified Weather Monitoring Network is Formed in China"
-- data provided by the State Meteorological Administration]

[Text] China has established a comprehensive network of meteorological observatories specializing in various areas. In the period just after liberation, China only had 72 meteorological observatories. Now the number has increased to 2,662, a 37-fold increase compared to the period just after liberation. In addition, these observatories have formed a unified weather monitoring network. Such departments as civil aviation and agricultural reclamation have more than 1,000 specialized meteorological observatories. Since the readjustment, China has developed 4,353 meteorological observation posts in the rural areas, of which 2,394 are central meteorological observation posts.

The means of forecasting in China has developed very quickly. Now China has more than 200 radars of various kinds for meteorological use. Most of them are used for observing rainstorms and typhoons. The use of automatic telemetering rain gauges and telemetering wind gauges has become more comprehensive. A comprehensive, unmanned automatic meteorological observatory which has several key functions is under trial operation in Qinghai. An automatic maritime observatory is also under trial operation. Computers have already been used for forecasting. The Central Meteorological Observatory currently owns a one-million-times computer [baiwanci dianzi jinsuanji 4102 8001 2945 7193 1311 6060 4615 2623], which is used for processing short-term nationwide numerical forecasts and compiling data. Authorities below the provincial level have medium and small computers for forecasting. Moreover, there are more than 2,000 micro-computers and pocket calculators throughout China for meteorological use. The accuracy of weather forecasting has been remarkably improved. At present about 97 percent of China's meteorological observatories offer a forecasting service. In addition, the range of services has been changed from solely serving farmers or the military to serving other professions and trades such as agriculture, industry, communications, finance and trade, aviation, ports, and public security.

China has established a meteorological information network centered in Beijing; joins various meteorological observatories at provincial, prefectural, and county levels; links other places at home and abroad; and has both cable and wireless systems. The establishment of an automatic system in the Beijing Meteorological Center's communications computer, and the connection of high-speed data circuits between Beijing and Offenbach, (West Germany), and between Beijing and Tokyo (Japan) have strengthened China's capability in meteorological communications.

KYODO ON PRC FOREIGN MINISTRY PERSONNEL CHANGES

OW180935 Tokyo KYODO in English 0922 GMT 18 Sep 84

[Text] Beijing, Sep. 18 KYODO -- Yang Zhenya, deputy director of the Chinese Foreign Ministry's Asian Affairs Department, has been promoted to director of the department, an informed source here said Tuesday. Yang succeeded Liu Shuqing, who recently became a vice foreign minister. Quoting Chinese Government officials, the source also said Zhao Zhongzin was named director of the Japanese Affairs Division of the department. Zhao, formerly acting director of the division, succeeded Xu Dunxin, who moved up to the post of deputy director of the Asian Affairs Department. The new Department Chief Yang was once stationed at the Chinese Embassy in Tokyo as a first secretary in charge of politics and is well versed in Japanese affairs, the source said.

HUANG HUANG ADDRESSES ANHUI CONGRESS MEETING

OW241850 Hefei Anhui Provincial Service in Mandarin 1100 GMT 21 Sep 84

[Excerpt] In order to further implement the guidelines laid down by the relevant directives of the central authorities, summarize and exchange the experiences of the standing committees of the people's congresses at all levels in doing their work in the past several years, and work hard to create a new situation in carrying out such work, the Standing Committee of the Anhui Provincial People's Congress held a discussion meeting in Hefei from 13 to 19 September on the work of the people's congresses in various cities and counties throughout the province.

Comrade Huang Huang, secretary of the provincial CPC Committee, delivered an important speech at the meeting. Comrade Huang Huang pointed out that the system of convening people's congresses is a basic system in China. Following the consolidation of our state power, the vigorous development of socialist democracy, and the continuous improvement of the socialist legal system, the role of the local people's congresses and their standing committees at all levels has become even more important. Naturally, their mission has also become more arduous than ever before.

He emphatically pointed out that party committees at all levels should support and help the standing committees of various people's congresses in carrying out their work. Facts have proven that all city or county people's congress standing committees that function well have been given vigorous support by their local party committees. The provincial CPC Committee has called on party committees at all levels to earnestly study and implement the relevant documents issued by the central authorities to actively support and help the standing committees of various people's congresses to create even better conditions for doing their work.

In his speech, Comrade Huang Huang urged standing committees of various people's congresses to actively carry out their work with economic construction as the center and do a good job in sponsoring economic legislation and enforcing economic laws. He called on them to support and protect collective enterprises in various cities and townships, safeguard the legitimate status and interests of individual undertakings, and take the initiative to offer advice for developing the four modernization program and for invigorating the economy in Anhui. He also called for efforts to enthusiastically conduct investigations and study, maintain close touch with reality, go among the masses, carefully study the new situation and tackle new problems, sum up new experience with the spirit of carrying out reforms and creating the new, and use a scientific approach to join comrades in all walks of life in promoting economic work.

Vice Chairmen of the Standing Committee of the provincial People's Congress Su Yu, Zhang Zuoyin, and Xia Deyi spoke at the meeting.

ANHUI'S HUANG HUANG AT TAIWAN RETURNEES MEETING

OW250034 Hefei Anhui Provincial Service in Mandarin 1100 GMT 21 Sep 84

[Excerpts] The United Front Work Department of the Anhui Provincial CPC Committee held a conference at the Jianghuai Hotel in Hefei on the afternoon of 20 September. It invited compatriots from Taiwan and their dependents, and people who had either returned from Taiwan or crossed over to the motherland, to review the current favorable situation, and discuss the issue regarding the reunification of the motherland.

This year marks the 35th anniversary of the founding of the nation, the 5th anniversary of the issuance of the Message to Compatriots in Taiwan by the Standing Committee of the National People's Congress, and the 3d anniversary of the announcement of NPC Standing Committee Chairman Ye Jianying's 9-point principle on Taiwan's return to the embrace of the motherland, and on the peaceful reunification of China. More than 30 compatriots from Taiwan and people, who had either returned or crossed over to the motherland from Taiwan, vied with one another to express their views in a warm atmosphere. They unanimously said they missed their kinsmen in Taiwan, and hoped for the reunification of the motherland and a happy reunion with their families. Compatriots from Taiwan Li Zhimin and Ye Songrong said: At a time when the whole nation is celebrating the 35th anniversary of National Day, we long for our kinsmen in Taiwan, even more sentimentally. We hope to realize the reunification of the motherland as soon as possible, and have a happy reunion with our family members in Taiwan.

Li Lanying, sister of Li Dawei, who flew an aircraft to China from Taiwan said: Although my brother Dawei is back my father and sister-in-law are still in Taiwan. I long for the reunification of the motherland, and the reunion of the whole family.

Responsible persons of the departments concerned at provincial level, Huang Huang, Shi Junjie, Zhang Kaifan, Hou Yong, Wang Guangyu, and other comrades met with those attending the conference. Comrade Huang Huang called on those attending the meeting to work hard at their own posts, and make contributions to the development of the four modernizations program, and to the reunification of the motherland.

SHANDONG'S SU YIRAN ATTENDS SPORTS RALLY

SK250403 Jinan Shandong Provincial Service in Mandarin 2300 GMT 24 Sep 84

[Excerpt] On the eve of the 35th anniversary of the founding of the PRC, the provincial CPC Committee and government held a ceremonious rally to commend Shandong sports at Jinan's Nanjiao Guesthouse on the afternoon of 24 September. Attending the rally were Su Yiran, secretary of the Shandong Provincial CPC Committee; Liang Buting, secretary of the Provincial CPC Committee and provincial governor; Li Changan and Jian Chunyun, deputy secretaries of the provincial CPC Committee; Yang Yanyin and Xu Shulin, Standing Committee members of the provincial CPC Committee; Wu Kaizhang, vice chairman of the provincial Advisory Commission; Qin Hezhen, chairman of the provincial People's Congress Standing Committee; Ma Changgui, provincial vice governor; Song Yimin, adviser to the provincial government; and Li Zichao, chairman of the provincial CPPCC Committee. Also attending on invitation were Rao Shoukun, commander of the Jinan PLA Region; Chen Renhong, political commissar of the Jinan PLA Region; Xia Zhengnong, member of the Central Advisory Commission; and Xu Cai, vice minister of the State Physical Culture and Sports Commission.

This grand rally was held to review our province's achievements and commend the advances in physical culture and sports and to celebrate the 35th anniversary of the founding of the PRC.

GUIZHOU REPORTS ACHIEVEMENTS IN COMMERCE REFORM

HK240725 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 23 Sep 84

[Excerpts] The commercial system of our province has adopted measures and actively carried out economic structural reform, and has achieved positive initial results. The main aspects of the reform are: 1) Separate government administration from enterprise management, and delegate the management power of enterprises to the central cities. 2) Establish different kinds of regional trading centers. 3) Implement three transformations. With regard to those small state-owned enterprises, some have been transformed into the system of ownership by the state, operation by the collective, with taxes to be paid according to rules, and sole responsibility for one's own profits and losses; some of them have been transformed into the system of ownership by the collective, operation by the collective, with taxes to be paid according to rules, and sole responsibility for one's own profits and losses; and some have been transformed into the system of ownership by the state, operation by independent elements, rent paid to the authorities, with taxes paid according to overall arrangements. 4) Closely integrate consolidation of enterprises with system reform. In the province, 134 enterprises have completed their consolidation and have been verified as being up to standard.

Through the structural reform conducted in the previous period, the business of the state-run commercial units in the province has been developed, and an excellent situation in which purchases and sales are flourishing has emerged.

GUIZHOU HOLDS MEETING ON EDUCATION REFORM

HK240737 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 23 Sep 84

[Excerpts] The provincial forum on the reform of the primary and secondary education system ended in Guiyang on the afternoon of 22 September.

The forum pointed out: Education must cater to the needs of the development of the political and economic situation and must speed up the pace of reform. The forum was convened and presided over by the provincial Education Department. Present at the forum were units and responsible persons of schools in various prefectures, cities, and counties, which are in the process of conducting pilot projects in education reform. The forum studied some relevant problems relating to the promotion of education reform, and carried out detailed discussions on the contents and methods related to education reform.

The forum pointed out: Education reform is a profound revolution which should be conducted actively and in a well-planned way. It is necessary that various prefectures and cities should do a good job in carrying out pilot projects. At present, the first thing in education reform is to grasp the reform of the structural system. The system of the school master taking full responsibility should be practiced. The system, which awards the diligent and punishes the lazy, should be set up, with tasks fixed for every person, post, and workload. The educational authorities at the provincial and prefectural levels should establish the system of inspection and supervision of education, so as to carry out inspection and supervision of various kinds of schools. The system of normal schools should be vigorously reformed, and the remuneration of graduates from normal schools should be raised. The activities of intellectual support should be actively developed. Preferential treatment should be given to those teaching personnel who come to our province to render intellectual support. The initiative of various sectors should be mobilized, so as to promote the continuous development of the educational undertakings of our province.

XIZANG'S YIN FATANG ON DISCIPLINE INSPECTION

HK240724 Lhasa Xizang Regional Service in Mandarin 1130 GMT 23 Sep 84

[Text] According to XIZANG RIBAO, after the region has implemented the more special and flexible new policy of opening to the outside world and invigorating the internal economy, the region's discipline inspection work and the work of hitting at economic crimes of the party must be able to confirm to the new situation, and promote its development. These are the remarks of Comrade Yin Fatang delivered on 21 September at a meeting held by the regional discipline inspection committee and the regional leading group for hitting at economic crimes.

On 15-21 September, the regional Discipline Inspection Committee and the regional leading group for hitting at economic crimes held the meeting in Lhasa. The meeting conveyed and studied the spirit of the Central Discipline Inspection Commission's forum held in the region on discipline inspection work in southwestern and northwestern China. The meeting reviewed and summed up the situation of and experience in various CPC Committee's work of upholding the party work style and checking malpractices, as well as the work of investigating cases of violating discipline and of promoting the region. In addition, the meeting seriously discussed formulating plans, and proper measures for achieving a fundamental turn for the better in party work style.

Comrade Yin Fatang spoke at the concluding session. He said: Following the region's implementation of the principle of opening to the outside world and invigorating the internal economy, some weak-willed people among us are unable to stand the test of the situation, and will progress from violating discipline to committing economic crimes. Party committees at all levels must attach great importance to this situation. Under the new circumstances, the party's discipline inspection departments as well as the departments in charge of hitting at economic crimes must be good at investigating new problems. They must uphold the present practices which are good and correct, while they must voluntarily rectify those which contradict the policy of opening to the outside world and invigorating the internal economy. However, when dealing with people who take advantage of office for personal gain, seriously indulge in bureaucratic work style, and seek personal gain by hook or by crook, we must be impartial and uncorruptible, and unswervingly enforce the law, no matter who they are and what posts they take.

Comrade Yin Fatang said: When carrying out the work, we must specifically make a clear distinction between mistakes made in the work and the violation of law and order. We must have a clear distinction between smuggling, corruption, speculation as well as swindling and the practice of correctly implementing the special policies and flexible measures, as well as normal trading activities. On individual business activities that are carried out in accordance with the correct policies, we must support them and give them legal protection. However, all workers and cadres employed by the state are prohibited from doing business or running any enterprises. Neither are they allowed to take advantage of office for personal gain.

Comrade Yin Fatang said: The implementation of the policy of opening to the outside world and invigorating the internal economy, including the structural reform, is in keeping with the practices of rectifying party work style, strengthening discipline inspection work, doing well in the region's economic work as soon as possible and helping the people to get rich as soon as possible. As long as we make clear distinctions for correct policies, strengthen the ideological and political education work, uphold the practice of struggling over and over again, and resolutely hit at criminals who obstruct and bring harm to the work of invigorating the economy, we can correctly implement the policy of opening to the outside world and invigorating the internal economy. Otherwise, our construction will be unable to reach the desired results, or may even end in failure. For this reason, discipline inspection departments and offices in charge of hitting at economic crimes at various localities must strengthen their work.

NEI MONGGOL PEOPLE'S CONGRESS HOLDS SESSION

SK250239 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 24 Sep 84

[Text] The Eighth Meeting of the Sixth Nei Monggol Regional People's Congress Standing Committee held its first plenary session in Hohhot today. The meeting was attended by 38 committee members. Batubagen, chairman of the regional People's Congress Standing Committee, presided over the meeting. Hao Xiushan, He Yao, Zhou Beifeng, Seyinbayar, Chao Luomeng, Bute Geqi, and Hu Zhongda, vice chairmen of the regional People's Congress Standing Committee, also attended the meeting.

The agenda of this plenary meeting was to hear reports by the regional People's Government on regional economic system reform and opening to the outside world and on regional reform of the primary and middle school educational system; hear a report by the regional Electoral Committee on the progress of banner and county direct elections; examine and adopt a draft resolution on extending the deadline for handling major and complicated criminal cases in outlying banners where transportation facilities are very poor; and decide on the appointment and removal of personnel.

Batubagen spoke at the meeting. He said: While concentrating on the examination and discussion of the two major matters -- the region's economic system reform and opening to the outside world -- the eighth Standing Committee also discussed the reform of the middle and primary school educational system. he said: Economic construction and intellectual development are an integrated entity. Hearing reports on the situation in these two fields conforms with the current situation of the regional economic work. This shows that we have further implemented the guidelines of the resolutions of the second sessions of the sixth national and regional people's congresses. The main purpose of this meeting is to explore ways to implement the regional urban economic system reform, the policy of opening to the outside world, and to reform and develop primary and middle school education in order to promote overall economic development in the region.

At today's plenary meeting, He Yao, vice chairman of the regional People's Congress Standing Committee and vice chairman of the regional Electoral Committee, gave a report on the progress of the region's banner, county, [words indistinct], and township direct elections.

Zhou Fuchang, director of the regional Education Department, gave a report on the situation of the regional primary and middle school educational reform.

Zhao Zhihong, vice chairman of the regional government; Yang Dali, president of the regional Higher People's Court; (Zheng Liqun), deputy chief procurator of the regional People's Procuratorate; Zhou Rongchang, chairman of the regional Economic Commission; and Zhou Fuchang, chairman of the regional Educational Department, attended the meeting as observers.

SHANXI HOLDS SESSION ON 'THREE TYPES OF PERSONS'

SK220545 Taiyuan SHANXI RIBAO in Chinese 5 Sep 84 p 1

[Excerpts] From 27 August to 1 September, the Shanxi Provincial CPC Committee held a provincial conference on the work of eliminating the "three types of persons" in Xianzhou City. The conference called on party committees at all levels to conscientiously study and implement the important document of the central authority on eliminating the "three types of persons," to upgrade their understanding, to grasp policies, and to continue promoting the work of eliminating the "three types of persons."

The conference conscientiously studied the important document of the central authority on the work of eliminating the "three types of persons," summed up and exchanged experience regarding the work of eliminating the "three types of persons," and studied and developed a plan for the work ahead. They held that since this January, party committees at all levels across the province have, in line with the plan of the provincial CPC Committee, further established and perfected the leading organs for examining the "three types of persons," strengthened the examination ranks, basically checked on some big cases, and concluded and handled some "three-category elements." Generally speaking, the work of eliminating the "three types of persons" in our province is experiencing sound and stable development and certain achievements have been made in it. However, we still far lag behind as compared with the demands of the central authority. Therefore, we must make persistent efforts to firmly and thoroughly attend to the work of eliminating the "three types of persons."

We must conscientiously strengthen the leadership over the work of eliminating the "three types of persons." This is a key to thoroughly eliminating them. Party organizations at all levels across the province have comparatively accurate understanding about the work. They have taken resolute actions to conduct the work, and have made achievements in it. But leaders of some localities, departments, and units failed to have sufficient understanding about the important significance of the work, and thus failed to resolutely and effectively guide the examination work. Some even combined the work with reform and are busy conducting the professional reform while neglecting the work of eliminating the "three types of persons." We should educate these leading comrades to resolutely change their focus or emphasis in work. Otherwise, we should send able cadres to help them conduct the work well. The leading bodies with serious problems, who are in the minority, should be readjusted and consolidated. We cannot delay this work.

In line with the spirit of the document of the central authority, we should lay emphasis on the work of eliminating the "three types of persons" and deeply conduct the work. We should further focus on eliminating those younger, hidden persons who rose in rebellion, engaged in evil deeds, created serious consequences, and greatly damaged the party during the Great Cultural Revolution, and those who pull the strings behind the scenes. We should prevent these persons from sneaking into leading bodies at all levels, key departments, and the third echelon. We should thoroughly eliminate those belonging to the three types of persons who have sneaked into these units. This is a difficult task. We should make up our mind to smash obstacles and to thoroughly eliminate them. None will be missed through examination and elimination.

We should conduct education regarding thoroughly negating the "Great Cultural Revolution" and factionalism in order to make all party members and comrades theoretically, practically, ideologically, and orally negate the "Cultural Revolution." Factionalism was a result of the "Great Cultural Revolution," and so were the "three types of persons." If we do not thoroughly negate the "Great Cultural Revolution," we will not be able to eliminate factionalism and the "three types of persons" thoroughly.

ZHAO HAIFENG ATTENDS QINGHAI PARTY HISTORY FORUM

HK240637 Xining Qinghai Provincial Service in Mandarin 1100 GMT 23 Sep 84

[Excerpts] According to a report carried in QINGHAI RIBAO, from 10 to 19 September, the commission for collecting materials on party history under the provincial CPC Committee held a forum and invited some of the comrades who took part in liberating Qinghai to talk about the materials on party history concerning the liberation of Qinghai and the initial period following liberation. More than 30 people took part in the forum.

The leading comrades of the provincial party, government, and army authorities as well as the provincial CPPCC, including Zhao Haifeng, Huang Jingbo, Ma Wanli, (Zhang Guosheng), Song Lin, (He Quanwei), (Meng Yishan), (Shen Lin), and others, attended the forum and spoke. The veteran comrades who took part in the forum contributed a batch of precious documents, photos and materials, and revolutionary memoirs. They also put forward many suggestions concerning revision of the materials presented at the forum for examination and investigation.

All present held identical views that Qinghai was not liberated peacefully and the liberation of Qinghai formed a component part of the Gansu-Qinghai campaign, or Lanzhou campaign, and was the result of the armed struggle against the Ma Bufang clique. Conducted by the PLA under the leadership of the party and with the assistance of the people, the victory was gained through the sacrifice of blood and lives.

ZHAO HAIFENG CUTS RIBBON AT QINGHAI EXHIBITION

HK220510 Xining Qinghai Provincial Service in Mandarin 1100 GMT 20 Sep 84

[Excerpts] The Qinghai provincial exhibition of achievements in construction over the past 35 years opened this morning. At the exhibition, 246 color photos, 138 black and white photos, and 53 charts are on display and reflect lively and in an all-round way our province's achievements in construction in industry, agriculture, and animal husbandry.

At about 0900, amid music and the noise of firecrackers, Comrades Zhao Haifeng and Huang Jingbo cut the ribbon at the opening of the exhibition. When Comrade Ma Wanli viewed the photos of light industrial and textile products of our province which have won prizes for their superior quality, he said: We must not blindly believe in products of other places. Our Qinghai also has products of good quality.

When they finished the inspection, Comrades Zhao Haifeng, Huang Jingbo, and Ma Wanli wrote inscriptions in the visitors' book. After Comrade Huang Jingbo wrote the inscription, he told reporters: Qinghai's achievements in construction over the past 35 years are not small. The change in this aspect is very big. Our Qinghai has a material foundation richly endowed by nature and has 35 years' experience in construction. In response to the call of the CPC Central Committee, we must emancipate our minds, must be determined to carry out reform, and must unite the people of all nationalities to make concerted efforts so as to make Qinghai advance rapidly.

QINGHAI HOLDS MEETING ON ECONOMIC CRIMES

HK240431 Xining Qinghai Provincial Service in Mandarin 1100 GMT 20 Sep 84

[Text] A provincial work meeting on cracking down on serious economic crimes was held in Xining on 12-17 September.

The main topics for discussion were ferreting out hidden economic criminals, continuing to solve the problems relating to areas not yet touched by the drive, and further developing the struggle of cracking down on severe economic crimes in the province.

The meeting summed up the work which has been done over the past 2 years and made arrangements for the work of cracking down on severe economic crimes for this winter and next spring. The meeting urged various localities to exert unswerving efforts to carry forward the struggle of cracking down on severe economic crimes to the end, and to exert main efforts to make a breakthrough at some key points in a planned way. Various units and departments should closely integrate the struggle of cracking down on criminal economic activities with party rectification, improvement of party work style, and enterprise readjustment. Resolute efforts must be made to investigate criminal economic cases and clues discovered during party rectification. We must conscientiously study the party policy of opening up to foreign countries, revitalizing the domestic economy, and promoting economic reform. We should draw a strict distinction between unhealthy economic trends and economic crimes.

Provincial CPC Secretary Ma Wanli attended and spoke at the meeting. Comrade Yin Kesheng, deputy chief of the leading group in charge of the struggle of cracking down on severe economic crimes under the provincial CPC Committee, also attended the meeting.

Commentary on Crackdown

HK240432 Xining Qinghai Provincial Service in Mandarin 1100 GMT 20 Sep 84

[Short station commentary: "Eliminate Areas Which Have Not Yet Been Touched by the Struggle and Remove the Hidden Peril"]

[Text] Great achievements have been made in the struggle of cracking down on severe economic crimes throughout the province. A number of criminal elements have been exposed and some important economic criminal cases have been handled. However, we should also realize that some localities and units have not yet fully understood the importance of cracking down on severe criminal economic activities. The leadership in these localities and units is weak and lax. They are dilatory in doing things. Their institutions are not well organized, or exist in name but not in reality. They have failed to adopt powerful and effective measures. Some other localities and units have not yet adopted measures to eliminate areas which have not yet been touched in the struggle. Some criminal elements are still at large or are even protected.

Cracking down on severe criminal economic activities is a serious struggle which will determine the success or failure of the four modernizations program. At present the struggle is developing in depth. We should on no account relax our will to fight. If we fail to eliminate the areas which have not yet been touched upon in the struggle, it will be difficult for us to remove the hidden peril. We hope that those units and localities which have not paid sufficient attention to cracking down on severe criminal economic activities will rally their spirit and strive to truly make achievements within a short period of time. With regard to those localities and units which have achieved good results in the struggle, they should also continue to exert efforts to carry the struggle of cracking down on criminal economic activities through to the end.

SHAANXI TO HOLD INTERNATIONAL COOPERATION TALKS

HK230638 Xian Shaanxi Provincial Service in Mandarin 1130 GMT 22 Sep 84

[Text] Vice Governor Zhang Bin announced at a provincial government news briefing today that, with state approval, the provincial government will open talks on international economic and technological cooperation on 1 December.

Vice Governor Zhang Bin said: Shaanxi is the hinterland of the motherland and the ancient capital of China. The province enjoys a temperate climate with good rainfall, suitable for agricultural and industrial crops. The province has abundant mineral resources. More than 86 mineral resources have so far been discovered, in 10 of which the province's reserves rank first, second, or third in the country; and it ranks within the top 10 in the country in a further 35 minerals. The province has ample energy and good communications facilities. It is strong in science and technology. We also have here the terra cotta figures of the Qin Shi Huang period, one of the eight wonders of the world, and other cultural sites. Zhang Bin said: We are preparing to discuss 304 projects at these talks. In sum, these have four characteristics:

1. The projects cover a broad field and there are prominent focal points. The projects cover 18 trades and business including light industry, textiles, machine-building, electronics, pharmaceuticals, chemicals, foodstuffs, metallurgy, building materials, tourist services, and so on. There are 137 projects for technological transformation in the light, textile, electrical, and mechanical industries.

2. We act in light of local conditions and take advantage of the province's superior points. The projects arranged for discussion include caustic soda, methanol, polyvinyl chloride, and carbide.

3. We are developing new industries in light of market needs. Included for discussion are a number of projects for the processing of agricultural and sideline products, for corn starch, fodder processing, milk products, beef cattle and chicken processing, and so on. There are also projects for consumer durables such as domestic electrical appliances.

4. We will vigorously develop the tourist trade. A number of tourist services projects have been arranged for the talks.

Apart from all these projects, if foreign or Hong Kong businessmen propose projects or fields in which they feel an interest, the province will seriously consider and discuss such projects.

Vice Governor Zhang Bin said: We will adopt flexible and varied forms of cooperation according to needs and the wishes of our partners. We will uphold the principle of equality and mutual benefit and ensure that our partners can make a reasonable profit. We will also provide favorable treatment in taxes, prices, land utilization fees and so on. Still more favorable treatment will be given to Hong Kong and Macao compatriots, Taiwan compatriots, and overseas Chinese who come to invest in Shaanxi.

Vice Governor Zhang Bin said in conclusion: Shaanxi has extremely good conditions for cooperating with businessmen and financiers all over the world. The fields for cooperation are broad and the prospects are optimistic. We welcome businessmen from all over the world to set up offices in Shaanxi. We hope businessmen and financiers all over the world will work with us in Shaanxi and cooperate to our mutual benefit and honor.

WANG ENMAO ATTENDS COMPLETION OF XINJIANG CHANNEL

HM220615 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 21 Sep 84

[Excerpts] The second stage of the (Tuanjie) main irrigation channel in the [Lanshan] district of Manas County was completed today. Regional party and government leaders Wang Enmao, Janabil, and Hedeerbai, and Xinjiang Production and Construction Corps Deputy Political Commissar (Liu Bingzheng), together with responsible comrades of Changji Hui Autonomous Prefecture and 10,000 peasants and herdsmen, attended a celebration-rally.

I. 25 Sep 84

C H I N A
PRC MEDIA ON TAIWAN AFFAIRS

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STATION HITS U.S. 'AGGRESSION' AGAINST TAIWAN

OW230815 Beijing in Mandarin to Taiwan 0130 GMT 22 Sep 84

[Talk by (Yang Fan) from the program "Forum on State Affairs"]

[Excerpts] In the program which I broadcast yesterday, I said that there are some powerful and influential people in the United States who have interfered with China's internal affairs by passing the Taiwan Relations Act and adopting the Resolution on Taiwan's Future in the U.S. Congress. Their aim is to seize China's territory of Taiwan and forever alienate it from the motherland. I also said that these tactics are played by those who are clinging to their ambition over Taiwan.

Dear friends: In order to do a still better job in clarifying this issue, I would like to briefly review the history of U.S. ambition toward and its activities of aggression against China's territory -- Taiwan.

Dear listeners and friends: I have studied history and found that the United States has never stopped its activities of aggression against China's territory of Taiwan. As early as the 1850's in the 19th century, the United States was already obsessed with ambition, planning to forcibly occupy China's Taiwan and turn it into its colony and an empire in the Pacific Ocean. In 1854, the United States had worked out a plan to forcibly occupy China's territory of Taiwan. It planned to seize China's Taiwan by either dispatching troops to seize Taiwan or forcing China to sell Taiwan to the United States for a small price. During the Second Opium War, the United States was the accomplice of Britain and France. It actively participated in various activities of aggression against China. In the talks to revise the Wangxia Treaty in 1856, the United States planned to form an alliance with Britain and France to jointly oppress China. It suggested that France occupy Korea, Britain occupy Zhoushan while it would occupy Taiwan.

In 1867, the United States had further systematically expressed its views on seizing China's Taiwan. This view listed eight reasons for the seizure of China's Taiwan. The fourth reason openly stated that the seizure of Taiwan was the key to safeguarding U.S. interests in the East. The fifth reason said that geographically, Taiwan could be used as a base to control the China Sea and the Sea of Japan. Here we can clearly see the true intentions of the United States toward Taiwan.

In the 1870's in the 19th century, the United States encouraged Japan to form an expeditionary force to seize China's Taiwan. It promised to coordinate with and support Japan in this regard. However, it wanted Japan to appoint a U.S. official as the commander of this expeditionary force, and to officially designate this commander as the governor of Taiwan after Japan's seizure of the island. Although Japan rejected this U.S. demand, the United States still actively supported the Japanese activities of aggression against Taiwan. Japanese warships were built and Japanese troops were shipped to the seas near Taiwan with U.S. assistance. In addition, U.S. officials had also directly participated in the activities of the Japanese expeditionary force. With the support of the United States, Japanese aggression against China had incessantly escalated and finally led to the large-scale Sino-Japanese War of 1894-1895 during which the United States supported Japan in committing aggression against China.

The United States said that only by using the Japanese force to strike at and threaten China, would it be possible to compel China to give in and accept the conditions it put forward and meet its requirements in its aggression against China. After the Sino-Japanese War of 1894-1895, the United States supported Japan in demanding that the government of the Qing Dynasty cede Taiwan, Penghu and Liaodong. It also stepped forward to pressure and threaten the government of the Qing Dynasty to agree with Japan and sign the Maguan [Bakan] Treaty which surrendered China's sovereign rights under humiliating terms, ceded territory, and paid indemnities.

It was precisely under this condition that Japan seized China's Taiwan by force. It was not until China's victory in the war of resistance against Japanese aggression that Taiwan was once again returned to the embrace of the motherland. During this period, as long as half of a century, the compatriots on Taiwan had endured tremendous hardships and humiliations. Our memory about this period of history is still fresh.

In 1949, the United States failed to achieve its goal in the Chinese civil war, which it incited and supported. It realized that after its forces of aggression were driven out of mainland China, it had lost the opportunity to use China and other areas for its military bases. Therefore, Taiwan's strategic position would become even more important than ever before.

Some people openly claimed that Taiwan is the U.S. unsinkable aircraft carrier. It is an important link in the strategic defense line from Japan through Okinawa and the Philippines to Southeast Asia. Therefore, the United States decided to continue to forcibly occupy China's Taiwan. At that time, the United States had drawn up the following four plans to forcibly occupy China's Taiwan and alienate Taiwan from mainland China: 1) Act in its own capacity to occupy Taiwan by force; 2) create the so-called Taiwan independence movement and regard Taiwan as its protectorate; 3) place Taiwan under U.N. trusteeship but actually under its own control; and 4) control the Kuomintang via aid in order to achieve the goal of controlling Taiwan.

In June 1950, the United States brazenly sent troops to occupy Taiwan and seal off the Taiwan Strait according to its No 1 plan. It openly claimed that it assumed responsibility for protecting Taiwan and the Penghu Islands with its naval and air forces. It was in this manner that the United States had turned its plan of aggression to forcibly occupy Taiwan and alienate it from mainland China into an actual deed. From the aforementioned facts, we can see that following the changes in the situation, the specific policies of the United States with regard to Taiwan are also undergoing changes. However, all these changes are aimed at achieving its goal of seizing China's territory of Taiwan and trying to forever alienate Taiwan from the motherland.

Years ago, the United States said that it assumed the responsibility of protecting Taiwan with its naval and air forces. Now the U.S. Taiwan Relations Act reaffirms the U.S. obligation of safeguarding Taiwan's security. These two statements can be traced to the same origin. I believe that the compatriots in Taiwan will remain vigilant against U.S. activities.

PREMIER YU KUO-HWA REPORTS TO LEGISLATIVE YUAN

OW211321 Taipei CNA in English 0934 GMT 21 Sep 84

[Text] Taipei, Sept. 21 (CNA) -- Premier Yu Kuo-hwa, in an activity-oriented oral report to the nation's parliament today, indicated to assembled legislators that the nation is taking economic challenges and international difficulties in stride. But he warned his countrymen to maintain their unity, and the free world to keep up its guard in the face of an entrapping communist international strategy.

The premier reported to the legislative yuan that the ROC economy is in its best year since the 1970 oil crisis. He said that total trade from January to August had reached U.S. dollars 35.4 billion, a 22.1 percent increase over the same period last year, with exports up by 27.3 percent, imports growing by 15.2 percent, and a trade surplus of U.S. dollars 5.8 billion. He said that prices were holding stable, and that the projection was now for a 10 percent economic growth rate this year, as against the 7.5 percent previously estimated. On the basis of the increased gross national product, he projected that per capita income will reach U.S. dollars 3000 for the year.

Quoting President Chiang Ching-kuo's admonition that the nation "must not concern ourselves only with the immediate and the partial," but keep its long-range goals constantly in sight, Yu went on to sketch continuing development of free world relations and a looming threat from Communist China.

The premier, noting this country's experience of marathon struggle against communism, warned the free world against an atmosphere of appeasement that is resulting in the transfer of capital, technology, and even of weapons to Communist China. He specifically urged free world caution in dealing with communist "united front" tactics -- pretended cooperation and unity of goals with outsiders -- as a communist means to manipulate and undermine them.

He stressed national development, outlining 14 major projects and programs for the country which he predicted would be fully underway or completed within six years, given the active support of the country and a stable economy.

For defense, he underlined the nation's efforts at self-reliance and its accomplishments in upgrading the status of the Armed Forces reserves. "Currently, our top priority focus is on weapons and systems for air and sea supremacy, counter-amphibious capability, and for electronic warfare," he declared, adding that, "significant progress has been achieved in the research, development, and manufacturing of combat aircraft, missiles, artillery, warships, and armored vehicles."

He reported to the legislative yuan on perspectives and policies for advancement of education. And he took up the matter of crime, asking for the legislators' assistance to reinforce legal remedies.

In concluding, he advised the parliamentarians that the country must finally depend only upon itself: "...in these times, no matter how changeable the international situation or how difficult our country's circumstances, we must realize that the future and destiny of our country are in our own hands. We have no other option but to develop our country and create our own providence, on the basis of our courage and determination to succeed."

PRC PROTEST TO U.S. ON TEXTILE CURBS CRITICIZED

OW221125 Taipei CHINA POST in English 18 Sep 84 p 4

[Editorial: "Peking's Agitation Against U.S. Textile Curbs"]

[Text] Once again, Peking has kicked up a fuss about the new "country of origin" rules on U.S. textile imports which went into effect September 7 according to schedule.

The HSINHUA NEWS AGENCY reported September 15 that a senior Peking trade official told U.S. Ambassador Arthur Hummel Friday that the regulations violated the existing textile trade agreement and multifibre arrangement and contradicted international trade practice.

The Chinese Communist objection of the new U.S. rule was on the designation of the original "country of origin" as the basis of quota calculation instead of the secondary country of origin if certain textile products were sent there to be finished and exported to the United States.

It was pointed out that almost one-third of Red China's textile exports to Hong Kong where the raw and semi-finished articles are turned into finished articles for re-export. According to the new rule, those articles will not be considered as Hong Kong-made but as made in mainland China. The textiles can then be barred from entering the United States under quota restrictions aimed at bolstering home producers.

These complicated procedures are understandable as the U.S. textile industry is hard hit by such Hong Kong-made textile products which disguised much of the China mainland exports. The new rules merely set the quotas in their proper classifications and there should be no valid reason to object to U.S. measures.

However, the Peking regime objected strongly to the U.S. rules, and Red Chinese representative in Washington Chang Wen-chin, in a letter of protest to the U.S. State Department, told the U.S. that the new rules would affect hundreds of factories and around 60,000 jobs in southern China alone.

But Peking's trade official Wang Ping-ching is more outspoken and demanded consultations with the United States and compensation for the losses caused to Red China by the new trade curbs. Wang even told Hummel that "Washington had ignored what he called Peking's solemn and just position and reasonable requests" and "Red China expresses strong dissatisfaction." He told the U.S. envoy in Peking that "The U.S. Government shall be held responsible for any possible negative consequences resulting from the implementation of the new regulations." His high and almighty manner constitutes an insult to the United States. The hint of retaliation is also evident in his protest.

In the face of such a threat, the United States has no alternative but to stick to its position and not yield to Chinese Communist warning of trade sanctions in retaliation. It should not permit the Peking regime to dictate its policies as the latter has been doing in many ways. It should not succumb to Peking's threats.

PAPER HITS U.S.-PRC TECHNOLOGY TRANSFER

OW221117 Taipei CHINA POST in English 18 Sep 84 p 12

[Text] The Republic of China is accelerating modernization of the military, in order to build up an independent national defense system and to ensure the safety of Taiwan, the bastion of national reunification, the Executive Yuan said yesterday. The ROC will also continue its efforts to advise the U.S. to halt transfer of technology to the Chinese Communists and will ask the U.S. to sell high-technology military equipment to the nation in accordance with the Taiwan Relations Act, the Executive Yuan said.

The Executive Yuan made this statement in a written answer to Legislator Huang Chu-wen. Huang had asked if the government has taken any measures to counter "ever-improving" relations between the U.S. and the Chinese Communist regime.

The Executive Yuan said it is not easy for the U.S. and the Chinese Communist regime to make great progress in their strategic cooperation or technology transfer in spite of the visit by Red Chinese "Defense Minister" Chang Ai-Ping to the U.S. earlier this year.

It explained that technology transfer is not easy because the Chinese Communist regime hopes only to gain technology, but not to purchase equipment from the U.S. and this contradicts U.S. aspirations in its military cooperation with the Chinese Communist regime, the Executive Yuan added.

The Chinese Communist regime is unwilling to buy military equipment from the U.S. for fear it will fall under U.S. economic control. In addition, such purchases are beyond the Chinese Communists' economic ability, the Executive Yuan said.

CHIANG CHING-KUO RECEIVES RICHARD ALLEN

OW250423 Taipei CNA in English 0238 GMT 25 Sep 84

[Text] Taipei, Sept. 24 (CNA) -- President Chiang Ching-kuo Monday received Richard Allen, senior advisor of the Republican National Committee of the United States, at the presidential office.

President Chiang extended warm welcome to Allen for his visit to this country. They exchanged opinions on Sino-American relations as well as the international situation.

Shen Chang-huan secretary general to the president, and Vice Foreign Minister Ding Mou-shih were also present during the meeting.

SINO-UK AGREEMENT TO TAKE EFFECT IN JULY 1985

HK250306 Hong Kong HONG KONG STANDARD in English 25 Sep 84 p 1

[Report from Beijing by Chiu Kit-ying]

[Text] The Sino-British agreement on Hong Kong's future will become effective from July next year, a source in Beijing said yesterday. The date the agreement takes effect is written in the joint declaration to be initialled tomorrow, another source said. It is believed the lapse between the effective date and the signing of the agreement at the end of this year, is to allow time for Britain's Parliament to amend "some legislation." The British Nationality Law is strongly tipped as one in need of amendment.

The source also said the joint declaration will comprise eight items and three annexes. One annex is to explain China's policy on Hong Kong after 1997, mainly to elaborate on Item 3. Another annex is about the joint liaison group to be set up by the two governments during the 13-year transition period. The source said there were "essential points" to be explained such as civil aviation, nationality, as well as the structure of Hong Kong's government after 1997.

The source said the joint statement, to be issued tomorrow by the British side in the form of a White Paper, will be attached with an explanatory note. The source said the two working groups met yesterday morning for the last time for a last-minute check of the Chinese and English versions of the joint declaration. Seven members of the British side attended including Dr David Wilson, Mr Robin McLaren, Mr William Ehrman, Mr Fred Burrows, and the chief interpreter, Mr Y.P. Cheng. Mr Wilson, Mr McLaren and Mr Burrows will return to Hong Kong tomorrow with the Governor, Sir Edward Youde, to attend the Legislative Council meeting. Mr Wilson and Mr McLaren will fly back to Beijing on the 29th to attend China's 35th National Day celebrations on October 1.

Meanwhile, the British Ambassador in Beijing, Sir Richard Evans, said yesterday: "The successful conclusion of the Sino-British negotiations has brought a positive impact on the relations between the two countries. But it is up to the Hong Kong people to react to the joint declaration." The British Embassy will host a banquet tonight for delegations and working groups from both sides. This is to mark the end of the negotiations, an embassy spokesman said.

After the initialing, further discussions on the Hong Kong issue will be held through diplomatic channels, the spokesman said. Sir Richard said he was now working with Mr Zhou Nan, chief negotiator of the Chinese side, on detailed arrangements for the initialing ceremony tomorrow. He will keep in contact with Mr Zhou in the latter's capacity as vice minister of the ministry responsible for foreign affairs. Sir Richard and Mr Zhou will each make a brief statement after the ceremony but neither side will hold a press conference.

On the joint liaison group to be set up by both sides, Sir Richard said: "I have no comment on that." He said he will remain in Beijing "as it is my job to be here at this important time." He has no plans to go to London, he said, but would most probably go on holiday at the end of October. He added: "After the initialing I'll have more time to be a conventional ambassador." The Hong Kong issue had taken up 80 to 90 per cent of his time, Sir Richard said. A total of 32 guests from the Chinese delegation and working groups, and their wives, have been invited to tonight's banquet.

The embassy spokesman said it was the first time that such a banquet was being held because, normally, after each round of talks only delegation members were invited to dinner. The Governor of Hong Kong, Sir Edward Youde, will be arriving at 6:45 pm today.

Meanwhile, Madame Kang Keping, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, said yesterday the Sino-British negotiations had been very fruitful. Madame Kang is the widow of Mr Zhu De, who held important positions in the Communist Party. She believes the outcome of the talks will be accepted by China.

PAI HSING ARTICLE ON REFORM PROBLEM, EVERBRIGHT

HK211201 Hong Kong PAI HSING in Chinese No 80, 17 Sep 84 pp 52-53

[Article by Shih Ko-chien: "For and Against Reform Where the 'Everbright Industrial Co' Is Concerned"]

[Text] The 18th of August was the first anniversary of the founding of the Everbright Industrial Co. Originally I had no intention of writing anything on the company. This is because one year is really too short a period. A one-year-old child can scarcely walk. For a company, it is only the beginning stage, with everything yet to fall into place. Moreover, given no idea of what goes on inside that company, any assessment made may be less than thorough and factual. The less said the better, so it seemed.

But recently Hong Kong's public opinion has focused on the Everbright Industrial Co and Wang Guangying in an interesting debate. When I took this up with an editor of PAI HSING magazine he said: "This time it is a pro-Chinese magazine that has made Everbright a subject of criticism. Its chief editor is a national CPPCC Committee member. Certain leftist newspapers have also, in a critical vein, published articles of an insinuating nature. Leftists fighting leftists is something unusual. You may as well write on it." So I committed myself to the job.

Singing a Tune Different From Deng Yingchao's

I read the article entitled "Wang Guangying Throwing Warm Water" in a pro-Chinese magazine. I showed no particular interest in the work itself. What interested me is that the editor of the magazine had something of the spirit of "daring to speak out" -- singing a tune different from National CPPCC Committee Chairman Deng Yingchao's in his capacity as a CPPCC member.

Many people may recall that three months ago, when the National CPPCC Committee was in session, Chairman Deng Yingchao received Hong Kong and Macao CPPCC members and journalists. In an interview, Deng Yingchao introduced various CPPCC vice chairmen to those in press circles. When she called Wang Guangying before them, she said something in praise of him. What she said was reported with some differences by the reporters of various newspapers, but the main point was as follows: Wang Gyangying suffered much during the Cultural Revolution. Now he has come to work in Hong Kong. Some people have said that he is not in the right. But I think that his work is marked with achievements. His work should be supported.

When Deng Yingchao said this, the chief editor of the pro-Chinese magazines was present, because he attended that interview in his capacity as a National CPPCC Committee member. Moreover, that interview was reported by all Hong Kong newspapers, even with pictures. "Deng Yingchao Cites Wang Guangying" is the headline used by many newspapers. What Deng Yingchao said still rings in the ears of people. Anyone knows that by traditional Chinese Communist standards, Deng Yingchao's speech could not have been promoted by her own desire and could only have been the opinion of the CPC Central Committee. So, three months later, it was also a magazine edited by a CPPCC member that directed heavy fire against Vice Chairman Wang Guangying. This provides food for thought.

Of course, things may not be so serious. Now is the time when different views can be aired. But it seems something unprecedented for a pro-Chinese magazine to direct heavy fire at another Chinese-financed company. The Communist Party is most attentive to criticism and also most mindful of principles of organization and discipline. Something important always has its beginnings. In former years, Yao Wenyuan's "Comment on Hai Rui's Dismissal From Office" was at first seemingly aimed at Beijing Vice Mayor Wu Han. Only later did people know that it was directed against Peng Zhen and Liu Shaoqi. It marked the beginning of the Great Cultural Revolution. Though Hong Kong people have a short memory, all this should remain fresh in their minds.

Breaking Monopoly Is the Prevailing Trend

What is the company "Everbright", set up in Hong Kong under a common signboard, up to? Some time ago, many people widely speculated and talked with gusto about the background of this company and its source of capital. All these, in my opinion, are only incidental problems. Since the establishment of the Everbright Industrial Co. in Hong Kong is something new -- not seen in the 30 years of China's economic policy toward foreign countries -- we can only observe it from the angle of major political and economic reform in China.

When the Everbright Industrial Co opened, Zhao Ziyang, Deng Yingchao, and other important members of the CPC Central Committee sent flower baskets. This clearly showed that this is a company approved and supported by the higher-ups in Beijing.

Originally Beijing had a perfect economic system in Hong Kong. Why was it necessary to set up a company like the Everbright Industrial Co? There can be only one explanation. It is that Beijing considered the original economic system inadequate to meet the needs of the new economic changes at home. There was a need for a new pattern of economic activity. Everbright was born under these circumstances. It can be said bluntly that Everbright's appearance was a break with the original system. It was charged with the task of finding a new economic direction.

Just as a stone cast into the lake is bound to cause ripples, so the appearance of Everbright has unavoidably given rise to debate. This is not only a problem of ideological awareness but also one of practical interests.

In the past three years or so, great change and reforms in the political and economic fields have marked the mainland of China. The appearance of the Everbright Industrial Co in Hong Kong is only one of such changes. Anyone with the least common sense should not fuss over it. The appearance of the rural responsibility system is a break with the people's commune system. The opening of four special zones, including Shenzhen, and then of 14 cities is a break with the pattern of isolation. The proliferation of individual operators is a break with the national economy dominating the scene. Promotion of young people is a break with the original system of ranking workers according to seniority.... China is changing, indeed undergoing tremendous changes. All things are being reorganized in line with more rational economic principles. Then can the Chinese economic system in Hong Kong be the exception and allowed to go its own way as before?

Despite many people's objections to changes, such as to the opening of Shenzhen as a special zone, reformists -- once vehemently attacked -- are still going ahead in the face of all obstacles placed in their way. Breaking monopoly is the very trend that has prevailed. Smashing the shackles of conservative forces is the very thing that people want.

In the past, the only company involved in foreign trade was the China Resources Co. Now there have surfaced the Yuehai [4727 3189] Company, the Huamin [5478 7044] Company, the Jingtai [0079 3141] Company, the Jinlian [3160 5114] Company, and the Shanghai Industrial Company. Some say that all this is chaos. Others say that this points to the existence of quite a bustling scene, as is borne out by the facts cited. In the absence of a penetrating investigation, I cannot draw a conclusion. But one point to be addressed is: For a vast country like China, can one company suffice as a representative?

There has also been heated debate over whether China's tourist trade should be unified or decentralized. Around the Chinese Spring Festival two years ago, there was the case of representatives of Hong Kong private tourist agencies being detained by Beijing. But recently, Han Kehua, director of the China Travel and Tourism Bureau of Beijing, officially announced a policy decision on breaking monopoly. All provinces, cities, areas, groups and individuals are allowed to join the tourist trade in fair competition. This is also breaking monopoly. In fact, the one and only problem is: For a vast country like China, can one single travel agency take charge of everything?

CAAC is also facing the challenge of its monopoly being broken. Three new airlines, the Southeast Airline, the Southwest Airline and the Northwest Airline, are to be set up.

Breaking monopoly is the prevailing trend. This towering wave originating in the mainland is sweeping areas abroad as a symbol of China's newborn economy. It should be cheered by genuine industrialists. On the other hand, those who are stuck in a rut and obsessed with their own spheres of influence are bound to be eliminated.

Why Should There Be the Rush?

How should we after all weigh Everbright's achievements and blunders in its one year of existence? What is the yardstick for assessment? Though some opponents have said much, they cannot produce any convincing proof against it. To my knowledge, the communist judgment of merits and demerits is based on the political standard. The most important political standard now has to do with whether the line defined since the 3d Plenary Session of the 11th CPC Central Committee has been carried out. As one confined to Qincheng Prison by the gang of four for eight years, Wang Guangying is always safe from being labeled as a member of the gang. In fact, it is only once Deng Xiaoping's assumption of power that Wang Guangying has really held up his head as a representative of China's national bourgeoisie. This despite the fact that he is the brother of Liu Shaoqi's wife.

In 1950, when Liu Shaoqi arrived at Tianjin, he gave a famous speech to then capitalist Wang Guangying. Liu Shaoqi held that China must develop a capitalist economy and wait for a ripe opportunity for her to make a transition to socialism. A capitalist had a good future in store. He advised Wang Guangying to be a Red capitalist.

It is common knowledge that Liu Shaoqi's idea did not materialize. If it had, today's China would be different from what it is now. Mao Zedong wanted not only a rush toward socialism but also a rush toward communism. In 1958, the whole nation witnessed the Great Leap Forward and the campaign for the establishment of people's communes. Their results are proved by history. In 1966, the Cultural Revolution was touched off. The following year, as a top capitalist roader and Liu Shaoqi's relative, Wang Guangying and his two elder brothers and his aged mother, were all thrown into Qincheng Prison. During the era of the gang of four, people like Wang Guangying could "never stand up."

Mao Zedong aptly said: "The line decides everything." A political line is accompanied by its typical figures. During the Cultural Revolution, student Zhang Tiesheng, who handed in a blank test sheet, was held up as a hero. Smash and grabber Wang Hongwen was made vice chairman. Chen Yonggui, who knew barely a single Chinese character and knew only how to wield a hoe was appointed vice premier. The head of the rebel group acted as a provincial CPC Committee secretary....

Since Deng Xiaoping's comeback, the whole nation has switched over to economic construction and an effort to improve the people's living standards. It naturally follows that a new crop of representative figures has appeared on the scene. Even though Wang Guangying is the brother of Liu Shaoqi's wife, and even in the period before the Cultural Revolution with Liu Shaoqi around, it would have been absolutely impossible for a capitalist to found the Everbright Industrial Co and run it singlehandedly. The appearance of representatives of national capitalists, like Rong Yiren and Wang Guangying entrusted with posts that carry power and the weight of responsibility, is only possible given Deng Xiaoping's line. It is exactly due to this realistic spirit on Deng Xiaoping's part that Hong Kong capitalists have some confidence in the post-1997 period. "If a Red capitalist like Wang Guangying is to be dealt with, then we white capitalists will be through sooner or later," a person in real estate circles recently said to me.

Beijing's allowing Wang Guangying to come to Hong Kong to found the Everbright Industrial Co and leaving it to his care alone is actually placing him at the forefront of reform. This is something fortunate and unfortunate for Wang Guangying. What is fortunate is only the chance he has to do something big. What is unfortunate is that he naturally becomes a target of attack by conservative forces of all quarters, especially given his role as a national capitalist. "What's your rank after all?" some people curse him at heart, or curse him out loud. Anyway, anything he does will be picked to pieces. Anything he does wrong will spell trouble for him. Is the recent attack on the Everbright Industrial Co not a suggestion of such a mentality?

In the year of Everbright's existence, Wang Guangying has sometimes really not been prudent enough in his speech. Fault has been found with what he has said. But nothing seriously wrong can be found against him. His backing out of the City Garden deal has not been well received. Practice also shows that he has judged the real estate market wrongly. But just as Wang Guangying said: "I have lost nothing." Given a very complicated capitalist economy, a miscalculation is unavoidable. Is not Hong Kong Land, real estate king with its wealth of experience, also wrong in its judgment about Exchange Square? Is not the big-brother Chinese-financed China Resources wrong in its judgment, given first the Tin Shui Wai case and then the Conic case? Is not another Chinese-financed company wrong in its judgment in purchasing Kowloon Bay land at a price 80 percent higher than the prevailing market value? Comparatively speaking, it is not a bad showing on the part of Wang Guangying, a newcomer to Hong Kong of only a year's standing, with just one wrong investment against him involving "no loss of money."

Given his year of activity, Wang Guangying has become a public figure. His frankness and straight talk have distinguished him from previous enigmatic figures of Chinese-financed companies. People view him as a symbol of the open-door policy. The roaring business being done by Everbright Industrial Co shows that it has projected an image accepted by Chinese and foreign businessmen. Hong Kong is a place with freedom of speech. It is not strange for other newspapers to indulge in the use of abusive language. But pro-Chinese newspapers and magazines have always paid attention to organization, discipline, and unity. Pointing an accusing finger at one of their own kind can only be either an inspiration from the higher-ups, or an indication of infighting. Now it seems that it is not Beijing's idea; rather it has the ingredients of infighting.

Hong Kong's People of Three Categories

Recently, an evening newspaper in its editorial revealed that a commentary entitled "The More Done, the More Mistakes; Work Hard and Do Not Be Upset by Criticism" carried in Beijing's RENMIN RIBAO seemed to have been prompted by support for Wang Guangying and aimed at criticizing some Hong Kong troublemakers.

A passage in this RENMIN RIBAO article says: "Indeed, we have often noted the situation: Some people are really working with dedication, while some others, though not entirely free, are basically onlookers watching from the sidelines. Given the two kinds of people working and watching, obstacles often come from those "watching".... They are good for nothing but finding fault with others. Earlier in the era of one camp following another with the people continuously called into action, these people did win distinction relishing 'boundless joy in making others an object of struggle.' Now they feel left out. There is no chance for them to give full scope to what they excel in. So the first chance is seized upon to assert themselves by force of habit...."

I shot the breeze with some friends in financial circles. Many of them said that they are not afraid of Beijing people ruling Hong Kong. What they dread most is Hong Kong communists ruling Hong Kong. So-called Hong Kong communists of course do not mean enlightened people like XINHUA Director Xu. What they are afraid of is the kind of people mentioned above -- those who threw their weight around in Hong Kong during the Cultural Revolution; those "Hong Kong people" who were dead set on toppling Deng Xiaoping and suppressing the Tiananmen Square incident. Many of these people are now still in important posts. How should we sort out the people of three categories in Hong Kong? Perhaps this is also a headache to Director Xu.

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DATE FILMED

26 Sept 1984

